Serfojee Rajah 1827

A

SKETCH

OF THE

HISTORY

OF THE

East-India Company,

FROM ITS

FIRST FORMATION

TO THE

PASSING OF THE REGULATING ACT OF 1773;

WITH

A SUMMARY VIEW

OF THE

CHANGES WHICH HAVE TAKEN PLACE SINCE THAT PERIOD IN THE INTERNAL ADMINISTRATION

OF

BRITISH INDIA.

THE TANJORE MAHARAJA SERFOGI'S MAHAL.
2
15-21

BY ROBERT GRANT, ESQ.

LONDON:
Printed for BLACK, PARRY, and Co. Booksellers to the Hon. East-India Company, Leadenhall Street, and J. HATCHARD, Piccadilly.

1813.

1524

MAHARAJA SERFOGI'S SARASWATI MAHAL · THE TANJORE ·

PREFACE.

In lately submitting to the public a volume on the Expediency of continuing the System by which the Trade and Government of India are at present regulated, the Author mentioned his purpose of immediately following up that publication with Sketches of the History of the East-India Company, accompanied by miscellaneous remarks. The historical essay to which his promise referred is contained in the ensuing pages.

Both the former and the present volume are, in fact, detached members of a larger work, long since projected by the author, but which his want of adequate leisure, ability, and information, and the great extensiveness

of the undertaking itself, have compelled him to abandon. In the work alluded to, it was intended to attempt a full discussion, in all its branches, of the question respecting the most eligible system of connexion between this country and the East-Indies. Although the author had not fully appreciated at the outset the difficulty of such an enterprise, yet he would never have embarked in it, but for the persuasions of those to whose advice he owed respect, and from an idea that even a very imperfect execution of the design might not be without its use.

The question respecting *the best Indian system*, considered as affecting the interests both of England and of India, unites every claim on the public attention that can appeal either to the more selfish propensities of human nature, or to those nobler feelings and principles which command the discharge of disinterested or even painful duties. All these claims were strengthened by the near approach of the period at which the question must of necessity undergo the decision of the

1524

legislature. Yet they seemed to be preferred with but little effect; even those by whom the subject was not utterly neglected, shewing themselves content with such notions respecting it as were suggested by prepossession or accident. At the same time, it was a matter of complaint that information respecting India, in a popular and practicable shape, could not readily be attained; and, in the absence of correct intelligence, various misrepresentations were circulated with too much success.

Such a state of things apparently supplied an adequate apology for any fair endeavour to elucidate this great subject, even at a considerable risk of failure. The attempt was arduous; but the necessity that it should speedily be made somewhere might justify even imperfect qualifications in venturing on the task. It was under these impressions that the present author formed his original design; which, however, notwithstanding the repeated adjournments of the question by Parliament, he has found it impossible completely to exe-

cute, and has therefore relinquished. He can only hope that the approximation which he has made to it, in the present volume and in that which he before published, may be received with indulgence, and may not totally fail of effect.

Under every view of the important questions pending between the India Company and the nation, it is plain that the past history of the Company must more or less enter into consideration; because it furnishes one set of the elements from which the present nature and tendency of their system are to be ascertained. In the existing case, however, an additional reason for bestowing a careful attention on that history arises from the unjustifiable use which has been made of it by some authors. The transactions of the Company, from a very early date, have been explored only to be brought forward with the utmost exaggeration and partiality. Their annals are made to exhibit, not the occasional recurrence of those dark passages by which the records of human conduct are too fre-

quently polluted, but one unbroken extent of intrigue or venality at home, and violence or perfidy abroad. Of such representations, however laudable may have been the motive, the tendency is most injurious. They affect the minds of men with a powerful though indefinite impression of horror towards a system which appears thus pregnant with crime; an impression, not to be effaced by the argument, however unanswerably urged, that most of the gloomy descriptions in question, even should their correctness be admitted, can have little relevancy to the subjects now at issue. If the benefits actually resulting from the existence of the India Company are enumerated, it is tacitly assumed that all of them are much more than balanced by a long arrear of unaccounted delinquency. In order to encounter these prejudices, it was esteemed advisable that the history of the Company should be regularly though succinctly given; with the view, not of exculpating them from censure wherever it might be deserved, but of confining censure to the actual amount,

whatever it may be, of their deservings, and of assisting the reader to settle for himself the account of merit, on the one hand, between the Company and the country; on the other, between the Company and their dominions in India.

In the event, however, the author has not been able to bring the course of his general narrative lower than the year 1773. Before that period, and for some years after it, the Indo-British empire was immature, and the administration of it necessarily experimental. The system, therefore, would then inevitably exhibit evils and disorders which, if soundly constituted, it might be expected gradually to outgrow. It is a matter of great regret to the author that he is thus prevented from challenging almost unmixed praise to the maturity of that system, the infancy of which he, in the following pages, defends from unjust blame. At the same time, his cause will surely suffer no injury, in the mind of a candid and impartial reader, from the circumstance that it is here vindicated exactly

on that ground where it undoubtedly contends at the least advantage.

There is also another consideration worthy of mention on this point. Some very distinguished opponents of the Company have alleged that the merits, whatever they are, of the present Indian system, redound to the credit, not of that body, but of the British legislature. The government of the Company, according to those persons, is in its nature essentially bad; its excellencies are superinduced; and must be ascribed, not to the Company, who nominally govern, but to the authority of the executive power and of Parliament, which effectually controuls. Now it is material to observe that, although the Indian Board of Controul, as it now subsists, was not constituted till the year 1784, yet the Regulating Act of 1773 first gave the administration at home, and, by consequence, the legislature, a positive concern in the interests, and a formal though an ill-defined superintendence over the proceed-

ings, of the Company. The year 1773, therefore, constitutes the precise æra at which the principle of legislative and ministerial controul had its birth: and he who vindicates the *previous* proceedings of the Company has at least the merit of throwing away that borrowed shield with which they are accused of meanly covering their own imbecility. Here at least, whatever palliation can be offered for what seems wrong, whatever explanation of what seems doubtful, whatever commendation of what is right, the merit, whether negative or positive, is their own. As they must bear all the blame, so they may appropriate all the praise.

In order to supply, though imperfectly, that portion of the history which is wanting, a separate chapter has been added, containing an outline of the more memorable changes that have taken place in the *internal* administration of British India since the period of 1773. The excellent system which has been the consummation of those changes, the au-

thor has endeavoured minutely to describe in his former volume.

The authorities from which the representations given in the following work have been derived, are generally referred to by name, and will, it is trusted, be deemed unexceptionable. In some cases, the references have been accidentally omitted; but with respect to every material part of the history, the reader will easily perceive the general sources of the information submitted to him. The first century and a half of the Company's history forms that part of it respecting which the published accounts are in general the most wretchedly scanty. This defect has been lately supplied, down to the year 1708, by Mr. Bruce's compilation of the Annals of the East-India Company: to which very useful work the present writer is greatly indebted in his first chapter. He has also availed himself of various other means of information with respect to the same period, most of which are distinctly mentioned. His state-

ments of the events during the first half of the eighteenth century, he partly owes to authentic accounts obtained from the India House. After that time, the published information is copious and universally accessible, though, with the exception of Orme's history, little known.

It remains only to be added that, in composing the present volume, the writer conceived himself to be merely stating the facts of a litigated case. He has, therefore, been little ambitious of the excellencies usually considered as the great virtues of historic composition, with the exception always of that fidelity from the observance of which no species of recital can be absolved. This remark is here solicitously made, both as some excuse for the general dryness of the book, and also in order to explain what might otherwise seem the unnatural prominence given to some particular passages in the history of the Company, as well as the dissertatory and occasionally polemical form which the recital

has assumed. In so extensive a range of narrative, it would be presumption in him to indulge the hope that many inaccuracies may not have been committed; but it has certainly not been for want, either of original attention, or of scrupulous revisal.

THE TANJORE MAHARAJA SERFOGI'S SARASWATI MAHAL.

CONTENTS.

PAGE

INTRODUCTION i

CHAP. I.——Historical account of the Company, from their first institution to the commencement of their territorial and political character 1

CHAP. II.——From the year 1748 to the year 1766-7 148

CHAP. III.——From the year 1766-7 to the passing of the regulating act of 1773 276

CHAP. IV.——A summary view of the changes in the internal administration of British India, subsequent to the regulating act of 1773 . 346

CHAP. V.——Concluding Reflexions 364

THE TANJORE MAHARAJA SERFOJI'S SARASWATI MAHAL

INTRODUCTION.

The celebrated author of *The Wealth of Nations*, in speaking of that order of men who, according to the term adopted throughout his work, live on the profits of stock, and more especially alluding to the class of merchants and master-manufacturers, makes the following remarks. "The pro-"posal of any new law or regulation of com-"merce, which comes from this order, ought al-"ways to be listened to with great precaution, "and ought never to be adopted till after having "been long and carefully examined, not only with "the most scrupulous, but with the most suspicious "attention. It comes from an order of men, "whose interest is never exactly the same with "that of the public, who have generally an in-"terest to deceive and even to oppress the pub-"lic, and who accordingly have, upon many oc-"casions, both deceived and oppressed it."*

From other parts of the same work, it appears that the laws into the enactment of which the au-

* Book I. Ch. xi.

thor conceives legislators to have been deluded by the selfish cunning of merchants and manufacturers, are the great body of restraints imposed in modern times on the freedom of trade. One passage, selected out of many, will explain his notions on the subject. Having stated the arguments which were employed to recommend what he calls the commercial system at the time when that system was originally planned, he thus proceeds to describe the effect of those arguments. "Such as they were, however, those arguments "convinced the people to whom they were ad-"dressed. They were addressed by merchants "to parliaments, and to the councils of princes, "to nobles, and to country gentlemen; by those "who were supposed to understand trade, to "those who were conscious to themselves that "they knew nothing about the matter. That "foreign trade enriched the country, experience "demonstrated to the nobles and country gentle-"men, as well as to the merchants; but how, or "in what manner, none of them well knew. The "merchants knew perfectly in what manner it en-"riched themselves. It was their business to "know it. But to know in what manner it en-"riched the country, was no part of their busi-"ness. The subject never came into their consi-"deration, but when they had occasion to apply "to their country for some change in the laws re-"lating to foreign trade. It then became neces-

"sary to say something about the beneficial effects "of foreign trade, and the manner in which those "effects were obstructed by the laws as they then "stood."*

The same author, elsewhere, brings this language directly home to that class of commercial regulations which more immediately falls within the view of the present work. "In the greater "part of the commercial states of Europe," he informs us, "particular companies of merchants "*have had the address to persuade the legislature* to "entrust to them this part of the duty of the so-"vereign (the protection of a particular branch "of trade), together with all the powers which "are necessarily connected with it."†

There is no surer method of touching the passions of men, than by intimating to them that they have been duped. In the passages just quoted, and others like them, Dr. Smith does not charge the men to whose influence he ascribes the existence of our commercial system, with having fully known and deliberately contemplated the extent of the evil which, as he thinks, they were entailing on the public. He says, however, what very little differs from such an accusation; and the indefiniteness of some of his expressions, and the tone of sarcasm which pervades others, would lead most readers to supply the difference in their

* Book IV. Ch. i. † Book V. Ch. i.

own minds. As his representations to the same purport often recur, they cannot but produce a strong, and that not a very just, impression. The impression will be the stronger, because, though reflexion shews that those representations are made up of inferences as well as facts, and are therefore fair subjects of doubt and enquiry, yet, being summarily drawn up and confidently brought forward, they strike a less observant eye as if they were merely so many statements of a dry fact, which, since it is thus competently attested, must of course be implicitly received. It will not be supposed that any disrespect is here intended towards Dr. Smith, whose confidence in delivering his opinions doubtless arose from his conviction of their soundness. The only question is with regard to the effect of that confidence on his readers.

Probably, all men will now find more or less to blame in the commercial doctrines which were fashionable during the two or three last centuries. He who imputes the faults of those doctrines to the imperfect state of commercial science at a time when all science was imperfect, will be likely to appreciate with candour both their defects and their merits. Nor will the coolness of his judgment be much disturbed, even though he should believe that the framers of them were, to a certain extent and insensibly, biassed in their favour by considerations of private interest. Unavoidable ignorance meets with pity. A moderate de-

gree of self-partiality finds at least forgiveness. But that determined and malignant selfishness which, with open eyes, or, what is nearly the same thing, with eyes wilfully closed, sacrifices the welfare of thousands to its own base objects, is viewed only with sentiments of indignation and abhorrence. A fair estimation can scarcely be expected of measures which are believed to have originated in minds actuated by such a motive.

The assertion of Dr. Smith, that the mercantile and manufacturing classes have, upon many occasions, deceived and oppressed the public, plainly derives a great part of its force and plausibility from that which precedes it, namely, that those classes "have generally an interest to deceive and "even to oppress the public." This remark is apparently meant, not of any partial, local, or temporary interest of the body, but of their collective and permanent interest. The author appears also to have intended, not merely that the various members of the body are each interested to deceive the public in some way or other, but that all have some such common interest in propagating deception as may induce them to combine for that purpose. Otherwise, the practical inference will scarcely be sustained; for, while one set was attempting to deceive the legislature or the nation into a measure, another would be equally interested, and therefore equally active, in undeceiving them. Even if both were practicing

the same arts, it might be hoped that, in their mutual struggle, they would at least unmask each other. Light might be expected to break forth from the collision of opposite frauds.

That the sentiment conveyed by the passage in question has not here been misconstrued, will appear from a view of the argument by which it is supported. Such a view, moreover, will shew that the argument is far from satisfactory; and, indeed, that it seems to involve a laxity of reasoning of which the writings of its eminent author, even where most open to animadversion, furnish no other instance. In effect, his own pages afford the best means of refuting it; as it is said of one of the ancient heroes, that no man could conquer him but himself.

The three great, original, and constituent orders of society, are, according to Dr. Smith,* those who live by rent, those who live by wages, and those who live by profit.

The interest of the first of these orders, he says, "is strictly and inseparably connected with "the general interest of the society. Whatever "either promotes or obstructs the one, necessari- "ly promotes or obstructs the other." To trace, minutely, with Dr. Smith, this connexion, does not appear necessary. It is implied, however, in his observations, that, when the

* Book I, Ch. xi.

wealth of a country has reached its stationary point, then the real rent of land becomes stationary also, that is, neither increases nor declines.

"The interest of the second order, that of those "who live by wages," it is next shewn, "is as "strictly connected with the interest of the so-"ciety as that of the first." The wages of labour increase with the demand for labour. The demand for labour increases with the means of employing it, that is, with the revenue and stock of the country. "The increase of revenue and "stock is the increase of national wealth."* When this real wealth of the society becomes stationary, the wages of the labourer "are soon "reduced to what is barely enough to enable him "to bring up a family, or to continue the race of "labourers. When the society declines, they fall "even below this."†

Having thus disposed of the labourer, the writer proceeds to the employers of labour, or to those who live by the profits of stock; and, here, it will be desirable to exhibit his own words somewhat at length.

"But the rate of profit does not, like rent and "wages, rise with the prosperity, and fall with

* Book I. Ch. viii. to which Dr. Smith refers in Ch. xi.
† Ib. Ch. xi.

"the declension, of the society. On the contrary, it is naturally low in rich, and high in poor countries, and it is always highest in the countries which are going fastest to ruin. The interest of this third order, therefore, has not the same connection with the general interest of the society, as that of the other two. Merchants and master manufacturers are, in this order, the two classes of people who commonly employ the largest capitals, and who, by their wealth, draw to themselves the greatest share of the public consideration. As during their whole lives they are engaged in plans and projects, they have frequently more acuteness of understanding than the greater part of country gentlemen. As their thoughts, however, are commonly exercised rather about the interest of their own particular branch of business, than about that of the society, their judgment, even when given with the greatest candour (which it has not been upon every occasion), is much more to be depended upon with regard to the former of those two objects, than with regard to the latter." After somewhat dwelling on this last remark, Dr. Smith proceeds to observe, that "the interest of the dealers, in any particular branch of trade or manufactures, is always, in some respects, different from, and even opposite to, that of the public;" a sentiment which seems to bear no direct relation, either to

the general scope of his reasoning, or to the preceding part of it. His apparent object is to shew, that the counsel of the employers of stock is to be distrusted, because that order, as such, and not merely the dealers in any particular branch of trade or manufactures, have a common interest separate from that of the public. And the strain of his previous reasoning bears naturally on this object; for, when he speaks of the low or high state of profits, he is manifestly referring to the profits of the order in common, not of any particular members of it. To descant, in this connexion, on the opposition between the interests of the public and the merely partial interests of the obnoxious classes, seems neither relevant nor conclusive. At all events, the previous and more general reasoning appears to require some comment, as conveying a very unfair representation.

In the passage adduced, Dr. Smith, after remarking that the rate of profit does not, like rent and wages, rise with the prosperity and fall with the declension of the society, gives this as the first exemplification of his remark, that the rate of profit is naturally low in rich countries. The expression *rich countries* must, of course, comprehend those countries which have reached their stationary point of riches, or which, as the author elsewhere terms it, have "acquired their full "complement of riches." But, in such countries, it appears that the wages of the labourer

"are soon reduced to what is barely enough to "enable him to bring up a family." Consequently, in this case, both the wages of labour and the profits of stock are low; and the case, instead of shewing a distinction between these two sorts of revenue, furnishes us with an instance of their coincidence.

Farther, when the wealth of a country becomes stationary, then, on the principles of Dr. Smith, the rent of land in that country becomes stationary also. It, therefore, neither rises nor falls; but preserves that utmost elevation, whatever it be, which it has before reached. But, in the mean time, wages and profit, instead of remaining stationary, undergo a continual reduction, till they have attained their minimum. In this point, therefore, there is a much greater sympathy between wages and profits, which Dr. Smith opposes to each other, than between wages and rent, which must be "strictly connected" together, if it be true that both are "strictly connected" with the general interest of the community. It would appear, also, that when the interest of the landholder is pronounced to be "strictly and inseparably connected with the general interest," and that of the labourer to be "*as* strictly connected "with it," these expressions, whatever be meant by the general interest of the society, must be understood with some laxity; and with such laxity as may thus far, at least, include under the same description the interest of the capitalist.

That these are fair and natural inferences, will not be doubted by those who attend to the following passage, which occurs in Dr. Smith's chapter on the profits of stock.* "In a country which "had acquired that full complement of riches "which the nature of its soil and climate, and "its situation with respect to other countries, al-"lowed it to acquire; which could, therefore, "advance no farther, and which was not going "backwards; both the wages of labour and the "profits of stock would probably be very low." There is, therefore, a perfect analogy between wages and profits, in a state of things to which, if few countries have reached it, yet many surely approximate.

But, in a declining country, this analogy, it is said, fails; and then, at least, the interest of those who live by profit diverges from the interest of the community at large. While the wages of labour dwindle to a degree incompatible with the subsistence of the labouring classes, the profits of stock rise; and they are "always highest in the "countries which are going the fastest to ruin." In what manner this effect is brought about, Dr. Smith explains in an earlier part of his work, and to that explanation we must refer. "The dimi-"nution," he says, "of the capital stock of the "society, or of the funds destined for the main-"tenance of industry, however, as it lowers the

* Book I. ch. ix.

"wages of labour, so it raises the profits of stock, "and consequently the interest of money. By "the wages of labour being lowered, the owners "of what stock remains in the society can bring "their goods at less expence to market than be- "fore, and less stock being employed in supply- "ing the market than before, they can sell them "dearer. Their goods cost them less, and they "get more for them. Their profits, therefore, "being augmented at both ends, can well afford "a large interest."* He proceeds to instance his observation by the large fortunes made in Bengal, a point, on which it may be convenient to forbear all comment in this part of the present work.

With submission to the authority of Dr. Smith, it may be doubted whether he has not somewhat exaggerated the advance of profit under the circumstances supposed. By the rise in the prices of goods, and the concurrent fall in the wages of labour, the trader, it is argued, gains at both ends: on the one side, at the expense of his customers; on the other, at that of his workmen. The prices, however, of the goods brought to market, must obviously bear some relation to the means which the great body of the consumers possess of purchasing them; and those means must, as obviously, be less, if there be a general pressure on the whole society. Again, a general reduction of the wages of labour cannot but occasion a

* Book I. ch. ix.

general defalcation in the expenditure of the labouring classes. But those classes constitute, though not the most profuse, yet the most numerous, rank of consumers; any considerable abridgement of their expenditure cannot but be felt in the market; and the probability is that it would be earliest felt by merchants and master-manufacturers, for these supply the labourer with those simple luxuries of which the first sacrifice must be made. In both ways, therefore, it may be suspected that the trader would lose, at one end, at least a part of what he gained at the other. The farmer, indeed, as dispensing the necessaries of life, which must at any rate be had, might be a gainer on the occasion, were it not certain that most of his profits would be appropriated by his landlord.

Our main consideration, however, must be directed to the circumstance out of which these supposed results take their rise; namely, the "diminution of the capital stock of the society." It is at this stage that the investigation should commence. Were such diminution equally distributed among all those who possessed stock, were it effected by a rateable deduction from the means of every individual in that body, even then it would be too much to represent the body as gainers by that imperfect compensation which the advance of prices and the reduction of wages might make to them for their loss. But the representation would be still more objectionable, if the fact were that the pres-

sure, felt more or less by the whole class in question, had yet fallen with a weight ruinously disproportionate on individuals, and that the eventual gainers profited only at the expense of those who had been trampled down and destroyed in the struggle. Yet that this would be the case in the situation of things imagined, there can be no doubt. By whatever cause we conceive the crisis to be occasioned, whether by the wide waste of war, or by the oppressive depredations of a tyrannical government, or by some other agency equally powerful and equally pernicious, the consequences are plain;—great inconvenience and alarm to all,—aggravated distress to many,—to not a few, absolute bankruptcy. Thus far, the trading world, if they differed at all from the mass of the community, would differ only by being the greatest sufferers.

Even in the last resort, the parallel between this class and that which lives by wages, to a certain extent holds. For, if wages fall below that minimum which barely enables the labourer to rear a family, the number of labourers must decline; and, should this depopulation become considerable, the dearth of hands would tend to raise wages. Yet to pretend, for that reason, that the order of men who live on wages gain by the decline of the rest of the society, would be a gross perversion of language; nor is it correct, on similar grounds to affirm that the order who live on profit are gainers by such an event. Both suffer

by the general decline severely; both, probably, more than the landed proprietor, who, of all the three orders, seems to possess the best means of protecting himself against the general calamity, because he alone has, in some sense, a monopoly of the fund from which he derives his revenue.

So great a master of economical science as Dr. Smith, can seldom err in that department; but a correction of his error may be drawn from his own pages. In his excellent chapter on the wages of labour, this author, after observing that the condition of the labouring order is happy in the progressive, hard in the stationary, and miserable in the declining, state of the society, thus expresses himself: "The progressive state is, in reality, "the cheerful and the hearty state to *all the different orders* of the society. The stationary is "dull; the declining melancholy." But, if this be true, then the interests of the three orders are, after all, in unison. Then, there is no fairness, or even justice, in an invidious separation of the order who subsist by profit, from the bulk of the community. Then, there is, thus far, no ground for the inference, that this order is ever tacitly conspiring against the general welfare.

This discussion may have been thought somewhat digressive. It bears, however, immediately on that prejudice, founded on a presumed incompatibility between the common interests of merchants and those of the public at large, which the great author who has been more particularly op-

posed instructs his readers to entertain against all our commercial regulations, as such. It was thought that some examination of the main argument by which that prejudice is justified, would prove more satisfactory than vague complaints of its illiberality. The question remaining, if indeed it can be said to remain, is, whether a better justification of the prejudice in view can be found in the indisputable fact, that "the interest "of the dealers in any particular branch of trade "or manufactures, is always in some respects different from, and even opposite to, that of the "public."

Whatever degree of malignity and cunning we may impute to these interested parties, that they have, in any great number of instances, succeeded in deceiving the public, must seem dubious, when we recollect, as was before intimated, that their several interests have seldom been sufficiently compatible to allow of combination. On occasion of almost every proposition which has been made of a new commercial regulation, the commercial world has been divided, and the public has had, at least, one ally among the various combatants. The wholesale seller of rude produce and the merchant exporter of it for foreign consumption have had one interest with the public, against the manufacturer of it and the retailer of the prepared article, who would naturally wish to prevent the exportation of such produce, in order that they might secure a monopoly of it for themselves.

The merchant importer of rude produce, and the manufacturer of it, and the retailer of the manufactured article, have had one interest with the public, against the wholesale seller of rude produce of the same kind raised at home, whose selfishness might induce him to desire a monopoly of the home market. The merchant importers of silk, and the silk-throwsters, and the silk-weavers, have had one interest with the public, against the manufacturers of cottons or linens or woollens at home, who might wish the wearing of silk prohibited altogether. The importers of silk have had one interest with the public, against all the other classes mentioned, who might wish at any rate to prevent the importation of wrought silks. The importers of silk and the silk weavers have had one interest with the public, against all the other classes mentioned, who might wish at any rate to shut out the importation of thrown or organzined silk. Examples of this nature, it must be obvious, might with ease be multiplied a hundred-fold. Amidst the violence and animosity with which, undoubtedly, these several divisions of persons have fought their battles before the tribunal of the public, it cannot be supposed that they have so measured and managed their hostility as always to reserve that remote and consequential interest which they are alleged to possess in common. Least of all can this be supposed by those who believe that a low bigotry and purblind sel-

fishness, are, with merchants and manufacturers, the ruling motives of action. In point of fact, it has frequently, or even commonly, happened in the disputes alluded to, that maxims laid down on the one side as fundamental rules of commercial economy, have on the other been reprobated as fundamentally false. In such a case, no public man of a reflecting or reasonable mind could do otherwise than perceive the necessity of investigating the principles of commerce for himself.

Besides, however, instances in which the principles of commerce have collaterally become matters of discussion, there have been many occasions on which those principles were immediately and even necessarily in issue. The controversy which took place in the early part of the seventeenth century, with regard to the expediency of a compulsory regulation of our foreign exchange, was evidently a war of principles. Of this nature, also, were the disputatious contests which respectively attended the passing of the Navigation Act, the institution of the re-coinage under King William, and the establishment of the funding system. Other controversies, scarcely less important, might, were it necessary, be cited; in which, as in these, all the contemporary resources of knowledge and experience were employed to elucidate the subject of commercial policy, and in which there is, at least, every reason to believe that the collected light thrown on the subject,

however imperfect it may now be thought, was as great as the optics of the age were capable of receiving.

Should these facts be thought insufficient to support the conclusion intended, it may be added that, on the occasions referred to, there were not wanting writers who, professing themselves intimately versed in commercial science, recommended to the legislature, as a general rule, the liberty of trade, and who, wherever they admitted the propriety of commercial restriction, treated the case as an exception, to be justified on grounds peculiar to itself. Of this number was the author of a treatise entitled *Britannia Languens*,* and published in the latter part of the seventeenth century; an author of some credit, and who, among other positions, strongly and decidedly reprobates the monopoly of the East-India Company. A more remarkable instance is Davenant, who, it is well known, was in reputation among the foremost of the political economists of his day.† Davenant is, indeed, an advocate for some particular restraints in trade: he vindicates, for example, the monopoly of the India Company;

* Britannia Lang. pp. 65, 97, 128.—Also Pref. p. i.

† "Davenant was an admirable writer; he had a remarkable genius for political theory, and his sentiments upon many "things are very generally adopted." Sir James Stewart's Political Economy, Book V. Ch. xii. For a fuller eulogium on the same author in the same work, see Book IV. Part IV. Ch. iii.

nor are his general views such as would be tolerated by the disciples of Dr. Smith. Yet his voice is very clearly in favour of commercial liberty. "This point" (he observes, speaking of the propriety of permitting the woollen manufactures of Ireland to be exported to foreign parts,) "has of "late been much debated, and the general sub- "ject of men's discourses; the writer of these "papers was then inclined to the milder side, be- "ing indeed in his judgment against prohibitions, "because most of such as are come within his "observation, seem to have been pushed on (with- "out doors) rather for private ends, and to serve "some particular turn, than calculated to produce "any public benefit."* It will be observed that, "in this passage, Davenant, while he ascribes with Dr. Smith, though in a milder manner, the proposal of most prohibitions to interested zeal,—and, to a certain extent, the imputation is confessed to be just,—yet does not add any insinuation that the judgment of the legislature had not been fully and freely exercised with regard to the matter of such proposals.

With Davenant may be joined Sir Josiah Child, who, as will hereafter appear, was a leading member of the East-India Company, but who vindicated the restrictions imposed on the Indian trade only as constituting an excepted case. The great

* Essay upon the probable Methods of making a People Gainers in the Balance of Trade.—§. 3.

majority of mercantile restrictions, Child, in the homely phraseology of his time, pronounces to be *naught;* and, in one of his discourses, he thus cautions his reader against the prejudices then vulgarly entertained on the subject of commerce. —" That, in all his meditations upon these prin-" ciples, he would warily distinguish between the " profit of the merchant and the gain of the king-" dom, which are so far from being always paral-" lels, that frequently they run counter one to the " other, although most men, by their education " and business, having fixed their eye and aim " wholly upon the former, do usually confound " these two in their thoughts and discourses of " trade, or else mistake the former for the latter; " from which false measures have proceeded many " vulgar errors in trade, some whereof, by reason " of men's frequent mistakings as aforesaid, are " become almost proverbial, and often heard out " of the mouths, not only of the common people, " but of men that might know better, if they " would duly consider the aforesaid distinc-" tion."*

Other writers there were, who held the princi-

* New Discourse of Trade—Preface. Were it proper, in the present discussion, to refer to foreign authors, De Witt might be mentioned as one who decisively contended for the principle of free trade, though not without exceptions. See his True Interest and Political Maxims of the Republic of Holland. Part I. Ch. 16, 17, 19, 20, 24, &c. &c.

ple of commercial freedom with less of qualification than Child and Davenant. Amidst this choice, however, of doctrines held forth to the legislature and the nation, by merchants, or at least, by professed adepts in the mystery, whatever it might be, of trade, it is hard to see with what propriety the legislature and the nation can be represented as having been deluded by the arts of commercial men. Here was surely enough to dissolve the charm. Nor will it be of any purpose to allege that, although the opinions maintained by the advocates of free trade were correct, their reasonings were not sufficiently just or enlightened to prevail over the worse arguments that misled the public ear. The question now is, whether the public were misled, not by arguments, but by authority; and this question seems answered by saying that they could scarcely defer to an authority divided against itself.

It may be said that the legislature, though not deceived by the misrepresentations, or seduced by the sophistries, of merchants, were yet swayed by the powerful influence which the opulence and activity of that body enabled them to command in the representative assemblies of the nation, and particularly in the House of Commons. That such was, in some instances, the case, there can be no doubt; but to this, considered as a general statement, a short reply may be found in the circumstance, already so much insisted on, that the interest of the body in question is, and ever was,

a divided interest. It must, therefore, have been reflected, if the expression may be allowed, in the House of Commons, with all those distinctions and partitions which actually belonged to it. The same cause then, which, in a great degree, neutralized the authority of the commercial order out of doors, would, for the most part, neutralize their influence in parliament. Amidst the opposition of discordant objects and passions, it would generally rest with the rational and unprejudiced part of the house to strike the balance. This consideration acquires great additional strength from a fact mentioned somewhere by Dr. Smith, and which is indisputable, namely, that the proportion of country gentlemen in the House of Commons was greater in former times than at present. The mercantile interest has, indeed, been considerable ever since the reign of Elizabeth; but, for more than a century of that interval, the landed interest may be thought to have, on the whole, possessed the ascendancy.

But, farther, a clear proof that the faults, however odious they may now be deemed, of the commercial doctrines of our fathers, should rather be charged on the age, than on the influence of merchants, is furnished by this circumstance, that those doctrines were adopted by impartial men of eminently profound and original minds. Let us instance briefly in that which Dr. Smith calls "the principle of the commercial or mercantile "system;" and which is, that the riches of a

country consist in, or at least are measured by, the quantity of gold and silver which it contains; that such gold and silver can be accumulated only by means of a favourable balance of trade, and that the great business of government is to promote the exportation of domestic commodities and to check the importation of foreign commodities. For this is the maxim which Dr. Smith particularly represents as having been palmed on parliaments, councils, nobles, and country gentlemen, by the cunning of merchants;—by "those who were supposed to understand trade," on "those who were conscious to themselves that they knew nothing about the matter."*

"The dream of Sir Walter Raleigh," (Dr. Smith himself remarks,†) "concerning the golden city and country of Eldorado, may satisfy us, that even wise men are not always exempt from such strange delusion." To the name of this great man may worthily be joined that of Bacon. In some of the opinions, indeed, which he publicly professed, as in almost the whole of his conduct, Bacon may be accused of having chiefly consulted the wishes and inclinations of the court which he served;—it was not so with respect to his theoretic character. His mental constitution exhibited the singular union of a disposition the most servile with a judgment the most independent. The prejudices, whether vulgar or professional, of

* Book IV. Ch. i. † Book IV. Ch. vii.

his day, no man could hold in more thorough contempt; and, at the same time, none could be better qualified to detect and to refute. In the excellent and manly letter of advice, however, which he addresses to Villiers, on the accession of the latter to the office of prime minister, he lays down the principle of the mercantile theory, as an axiom. "This realm is much enriched of late "years, by the trade of merchandize which the "English drive in foreign parts; and, if it be "wisely managed, it must of necessity very much "increase the wealth thereof: care being taken, "that the exportation exceed in value the im-"portation; for then the balance of trade must "of necessity be returned in coin or bullion."* Afterwards, he repeats the same admonition in nearly the same words. "For matter of trade, "I confess it is out of my profession; yet in that "I shall make a conjecture also, and propound "some things to you, whereby, if I am not much "mistaken, you may advance the good of your "country and profit of your master. 1. Let the "foundation of a profitable trade be thus laid, "that the exportation of home commodities be "more in value than the importation of foreign; "so we shall be sure that the stocks of the king-"dom shall yearly increase, for then the ba-"lance of trade must be returned in money or "bullion."†

* Adv. to Sir George Villiers—VI. 18. † Ib. VII.

The same sentiment was supported by one who, in such a case as the present, is a better example than even Bacon; since, besides the advantage of living in more enlightened times, he possessed that of combining, with an equal disdain of prevailing prejudices, and a vigour of intellect at least not far inferior, an incomparably greater vigour of character. This was Locke, who, in his celebrated writings on money, every where tacitly assumes, and sometimes directly asserts, the principle of the mercantile theory. That he tacitly assumes it, is for those to see, who will consult his own pages. Of his express assertions in its favour, the following is a specimen. "Nature has bestowed mines on several parts of "the world: but their riches are only for the in-"dustrious and frugal. Whomsoever else they "visit, it is with the diligent and sober only they "stay. And if the virtue and provident way of "living of our ancestors (content with our native "conveniences of life, without the costly itch "after the materials of pride and luxury from "abroad) were brought in fashion and counte-"nance again amongst us, this alone would do "more to keep and increase our wealth, and en-"rich our land, than all our paper helps, about "interest, money, bullion, &c. which however "eagerly we may catch at, will not, I fear, with-"out better husbandry, keep us from sinking, "whatever contrivances we may have recourse to. "It is with a kingdom as with a family. Spend-

"ing less than our own commodities will pay for, "is the sure and only way for the nation to grow "rich."*

On the whole, then, it does not appear that the mass of the restrictions established in this country on the absolute licence of trade, should be regarded as exclusively the work of venality taking advantage of carelessness, or exercised iniquity circumventing unpracticed innocence. Not only the more candid, but also the more just, as well as by far the more useful plan, will be to consider them as having emanated from the imperfect knowledge and virtue of what, notwithstanding, was, in the main, both an informed and a public-spirited age; —to treat them as a system, in the creation of which, if interest and ignorance had a share, and in parts perhaps a considerable share, yet great ability also and patriotic principle expended no mean labour. Thus only shall we be enabled to appreciate them correctly; because thus only shall we apply ourselves to the task, not merely with an acuteness, but with a temper, worthy of our superior experience and refinement.

When this is once established as a general conclusion, it is not necessary to make out the premises in every specific instance. In order to render it probable, for example, that the institution and continuance of the East-India Company have,

* Considerations of the Lowering of Interest, and Raising the Value of Money.

on the whole, been the result of deliberate and unbiassed reflexion on the part of the legislature, it is not necessary to shew that the interest of that body has always been opposed by some rival interest before the public tribunal, or that their cause has been espoused in a decided manner by wise and impartial men. If the government and the nation have generally been induced, by whatever causes, to bestow an enlightened attention on the subject of commerce, the observance, in this particular case, of that ordinary custom, may be presumed till it shall have been disproved. In effect, however, it will appear from the ensuing narrative that the commercial system of the Company has been, for the most part, very fairly before the public; and that there has been no want, either of objection to excite to it the public regard, or of unprejudiced authority to determine and to justify the public decision in its support. It will, in short, appear that, one or two dark periods in the history of the Company excepted, the favour which they have usually enjoyed has been accorded by the judgment, not won from the ignorance or mental weakness, of their countrymen.

At their original establishment, indeed, the little objection which they had to answer was directed, rather against the Indian trade itself, than against the proposed mode of conducting it. Yet, even in this view, the measure has a certain character of deliberateness; nor can any thing be discovered in the history of the time, to justify an

opinion that this decried institution was the creature of ministerial intrigue. But, in order to throw greater light on the nature of the plan, it seems requisite to give, in this place, some general description of the circumstances under which it was originally framed; and, as this account must refer to a period preceding the first erection of the Company, it may serve as no improper introduction to the narrative which will presently follow.

The accession of Elizabeth to the English throne is the era of our entrance on an active and steady course of commerce. Previously to that period, the desolations of civil war, the mistaken foreign policy of some sovereigns, and the oppressive domestic government of others, had, in a great degree, frustrated this country of the benefits derivable from its natural advantages for the successful prosecution of trade and the advancement of manufactures. London is said to have possessed, in the year 1540, no more than four ships of above one hundred and twenty tons burden, exclusively of the navy royal. The merchants of the Hanse Towns, resident in that capital, were still privileged above the natives. Even up to the year 1552, these aliens engrossed a great part of the foreign trade of the kingdom; and all their imports and exports were made in foreign bottoms. At a still later period, we read that the Venetians sent their argosies to England,

laden with Turkish, Persian, and Indian merchandize.*

Elizabeth, urged by the necessity of securing herself against the efforts of the sovereigns whom her protection of the Protestant cause had rendered her enemies, seems early to have felt the importance of naval power; and, perhaps, not less from this motive than from a general regard for the welfare of her dominions, applied herself to the systematic encouragement of commerce. She set about the formation of a respectable navy, and excited her opulent subjects, after her example, to build ships. She negotiated with most of the princes and states of Europe, in favour of the commerce of her people. She devised every practicable regulation to promote and extend the trade and manufactures of the country; and she made it a particular object that both should be conducted by its own natives in preference to foreigners. The result was, that the commercial resources of England developed themselves with a rapidity truly wonderful. The scene might have reminded a fanciful spectator of one of those changes undergone by vegetable nature, when, after having slept in the indurated soil, under every appearance of hopeless barrenness, a few vernal days seem to awaken it at once into full blossom.

But neither this, nor any similar image, fur-

* See Sir W. Monson's Naval Tracts.

nishes a real analogy to the event described. The course of material nature is constant amidst all its seeming capriciousness. *Seasons return*;—the spring will come, though tardily, and the blossom, however reluctant, will expand at last. It does not appear to be thus with the human mind, whether we speak of men individually or collectively. Philosophers, indeed, reduce the progress of civilization to rule; and, in their ingenious but technical and meagre schemes, represent a people as passing, by a sort of necessary gradation, from seed-time to harvest, from the gloom and rigour of extreme barbarism to the flowing and joyous vintage of high refinement. But the history of the world furnishes us with few, if any, instances in which this fancy-picture has been verified;—few, even, in which a nation has made any considerable advances in the arts of civilized life by the spontaneous operation of its own energies. On the contrary, the effect has, in a great majority of cases, been produced by what, for any thing that appeared, was accident. Perhaps it has been owing to an intimacy, casually formed, with some polished people, who, in the character, either of friends, of masters, or of tributaries, have sealed the connexion by a communication of their luxuries and arts. Perhaps, it has been owing to the fortuitous rise of some statesman, capable, not only of commanding, but of humanizing a kingdom;—an enchanter, as it were, under whose step the sterile wilderness has

softened into soil and flowered into beauty. Such, usually, have been the moving causes of the change. It has been a matter either of importation or of creation; not a process of course. We are by no means, therefore, authorized to conclude that, had Elizabeth not lived, or had she been other than Elizabeth, this country would, for two or three centuries, have made that proficiency in the arts of civilization, by which, under the munificent patronage of that princess, a single reign was signalized.

Amongst other expedients devised or adopted by Elizabeth for the promotion of commerce, was the institution of exclusive companies, or the encouragement of such as she found already established. Of the latter class, were the Merchant-Adventurers of England, who, for several ages, held their staple, first in the Low Countries, and then in Germany; the Eastland Company, who traded to the Baltic; and the Russia Company, first instituted in 1554, "for the discovery of "countries before unknown, or unfrequented by "Englishmen." The last was, in 1566, incorporated by an act of Elizabeth's Parliament, as "The Fellowship of English Merchants for the "Discovery of new Trades," and prosecuted a commerce from Russia to Armenia, Persia, and the Caspian Sea.* Besides, however, the insti-

* Anderson's Commerce, anno 1566. See the same work, generally, for the facts that follow; as also, the Modern Universal History.

tution of this company and of some smaller associations, the Queen, in 1581, incorporated the Turkey Company; having previously, by an envoy sent to Constantinople, obtained, for her subjects trading to the Turkish dominions, the same privileges as were enjoyed by the French, Venetians, and Germans.

The efficacy of an exclusive company, as a commercial engine, under the circumstances described, cannot be disputed; and it seems to be fully recognized by Dr. Smith, himself where he observes that, in the infancy of commerce, the monopoly granted to such a company attracts to a particular branch of trade a greater quantity of capital than would otherwise embark in it. Nor can those who question the legitimacy of such an engine deny that, in the cases under consideration, it was used with good purposes. The commercial patents, being in the strictest sense monopolies, which Elizabeth conferred as a personal boon on various individuals of her court, have been universally reprobated; but there is no room to doubt that, in the encouragement of the public companies mentioned, and others of the same nature, her object was the national welfare, not the emolument either of her own servants or of the patentees. The Company of the Merchant Adventurers and the Eastland Company were patronized with a view to supersede the agency of the Hanseatic merchants of the Steelyard; whom the Queen permitted to continue in England with di-

minished privileges, until the gradual increase of the foreign trade and shipping of her own subjects enabled her to annul their privileges altogether. The parliamentary charter granted to the Russia Company was not merely intended to promote a direct and beneficial exchange of merchandizes between English and Russian subjects; but looked to the prosecution of a trade through the dominions of the Czar into the higher Asia. The establishment of the Turkey Company was designed both to procure the commodities of the East, which till then were imported into England chiefly by the Venetians, at much cheaper rates than that people imposed, and, at the same time, to rescue from the hands of foreigners this valuable branch of the national trade. The same considerations, however, which influenced the institution of the two companies last mentioned, soon pointed out the expediency of opening, if possible, a direct intercourse with the East-Indies by sea.

In ancient times, and for ages after the downfall of the Western Empire, the Indo-European commerce could not but be, in a great measure, a monopoly. The channels of intercourse were limited, either to the Persian and Arabian gulfs, from the latter of which more than one communication opened to Alexandria; or to the long and painful routes traversed by the caravans through the higher Asia, and communicating, by the Caspian and Euxine seas, with Constantinople. In

the first instance, consequently, the two marts of Alexandria and Constantinople shared between them the supply of Europe with the luxuries of India; more immediately, that supply belonged to those who could procure the highest commercial privileges from the sovereigns of Constantinople, or the rulers, whoever they might be, of the lower Egypt. In modern times, this second monopoly was, for centuries, divided among the commercial states of Italy, the largest portions falling to the Genoese and the Venetians. The capture, at length, of Constantinople by the Turks, being immediately followed by the extinction of the ample privileges which the Genoese traders had long held in that city, left without a rival the Venetians, who had engrossed the Egyptian branch of the Indian traffic; and, of this monopoly, Venice, for upwards of half a century, retained the undisturbed possession.

The discovery, in 1497, of the passage to India by the Cape of Good Hope, transferred the monopoly of the Indo-European commerce from Venice to Portugal. For it is a curious fact that, although the new route laid open the Indian Ocean to all the shipping of Europe, the Portuguese, who had the glory of the discovery, enjoyed also the exclusive benefit of it for nearly a hundred years. The causes of this phenomenon are to be found in the state of the European nations during the sixteenth century.

Through the former part of that century, the

commercial resources of England, as has already been intimated, were little equal to so mighty an enterprise as a struggle for the direct trade of the East. France, through the whole century, and long after it, appears to have been in a still worse condition. Voltaire, who has delineated, in a lively manner, the slow growth of the commerce of his country, observes that even Louis the Thirteenth, at his accession to the crown, possessed not a single ship. "The French," says that author, "were amusing themselves with "tournaments, while the Portuguese and the "Spaniards were employed in the discovery and "the conquest of new worlds."* The dreadful course of persecution and civil war which immediately followed this season of festal heroism and pacific chivalry, equally precluded schemes of distant maritime adventure.

During a great part of the interval in question, the most considerable, in a commercial point of view, among the European communities, seem to have been, besides Portugal itself, the Italian states; the cities of the Hanseatic League; Spain; and the Netherlands. Of the Italian states, Genoa had never, even in her highest prosperity, affected long voyages; and, now, despoiled, in a great degree, of her commercial means by the overpowering rivalry of Venice, and distracted with intestine broils, she was too feeble to oppose

* Introd. Siècle Louis XIV.

the Portuguese in the Indian seas. Venice, on the other hand, was both too deeply interested in the trade by the way of Egypt and Syria, of which she had long possessed a lucrative monopoly, to accredit the new track, and, at the same time, too deeply rooted in that trade to be easily transplanted. The Hanse Towns, who had, in the dark ages, secured to themselves pre-eminent privileges and immunities in every country of northern Europe, found sufficient employment in maintaining those advantages against the increased light of succeeding times. Spain was, by the bull of Pope Alexander the Sixth, and also by a treaty concluded with Portugal in 1493, directly debarred from interference with the Indo-Portuguese trade. Her attention, besides, was occupied by her immense acquisitions in the other hemisphere, by her bloody foreign wars, and, at length, by the revolt of the United Provinces. Yet, in 1564, she conquered the Philippines; and, in 1580, Philip the Second, by seizing on the throne of Portugal, made himself absolute master of the Indo-Portuguese trade. The territority of the Netherlands, though it constituted, while under its own chiefs, the garden of Europe, seems never to have possessed much native shipping. Bruges and Antwerp, which, with the exception possibly of Amsterdam, were the most opulent cities in Europe, obtained that distinction chiefly by the felicity of their situation, in being the *entrepôts* of the North and the

South.* The naval means of Amsterdam, though apparently greater, and though rising with considerable rapidity, appear to have been chiefly bestowed on the herring fishery. Those means sustained, also, a cruel shock from the tyranny and hostility of Spain, though destined, by the consequences of that very shock, to a farther and an almost inconceivable increase. The same tyranny and hostility, however, irrecoverably ruined the commerce and the manufactures of Flanders.

An additional reason why the splendid example of the Portuguese in the instance before us was not more eagerly followed, may be found in the jealousy which that very example, and the no less brilliant achievements of the Spanish navigators, had contributed to excite. The maritime states of Europe, so far as they had leisure or means for the undertaking, seemed anxious rather to eclipse than to imitate the exploits of those two nations. It was an age of novelty and of passion for novelty. Repeated attempts were made to strike out some new and yet unimagined route to India, either by sea or overland; the rage of discovery still outrunning the calculations of wisdom and experience.

When, however, the Seven Provinces, after having revolted from the yoke of Spain, had, in the year 1579, united themselves as one republic,

* Sir W. Monson's Naval Tracts in Churchill, Vol. III. page 196.

their characteristic industry and spirit, quickened by the possession both of national and of civil liberty, speedily advanced them to commercial super-eminence. The East-Indies presented to them an inviting field of adventure; but, for some years, a wish to avoid a direct encounter with the fleets of Portugal, which was now subject to Spain, aided perhaps by the contagion of the epidemic ardour for discovery, influenced them rather to explore some new channel of communication with those regions, than to pursue the route by the Cape. Strenuous endeavours were therefore made in quest of a north-east passage; and it was only on the failure of these that, in 1595, the first Dutch voyage to India by the Cape of Good Hope took place. The success of this experiment animated the merchants throughout the republic to similar efforts. Various partnerships were formed for the prosecution of the East-India trade. The disorder, it is said, which the promiscuous competition of these private associations occasioned, induced the States-General, in 1602, to summon the leading members of each, when they were all incorporated into one company with exclusive privileges.* From that period, the East-Indian trade of Holland advanced with a rapid and accelerating progress.

* See Anderson's History, anno 1602. It is necessary once for all to say that the facts related in this and the adjacent pages are principally taken from that excellent work.

In England, a desire to find some passage to India and China, which should not excite the jealousy of Portugal or Spain, by interfering, either with the track of the Cape of Good Hope, or with that through the straits of Magellan, manifested itself so early as the year 1536. A north-west passage was then vainly attempted; and, in the course of forty years, this enterprise was followed by several others, all equally abortive, in quest either of a north-west or a north-east route. The celebrated voyage of Drake in 1578 afforded many new lights relative to the eastern world; and, soon after the return of that navigator, four ships were dispatched for China, which, however, proceeded no farther than the Brazils. But the most satisfactory informations were derived through the medium of the Turkey Company, established, as has been stated, in 1581. Three years after the institution of this body, some members of it were deputed on the express design of settling an overland trade to India; and were furnished by Elizabeth with letters of recommendation to the sovereigns of Cambaya and China. These persons conveyed with them cloth, tin, and other commodities. They journeyed by the way of Aleppo, Bagdad, and down the river Tigris to Ormus in the Persian gulf, and thence to Goa. Notwithstanding they were strongly opposed by the Venetians, who had factories settled in the places just mentioned, they visited Agra, Lahore, Bengal, Pegu, and Malacca. In the course of

their travels, they made many remarks on the nature of the Indian commerce, which were communicated by them on their return to England along the same route in 1591. By that time, a direct voyage to India had been projected, and was in a state of advanced preparation; the adventurers in it, who were merely private individuals, having been particularly stimulated, it is said, by the circumnavigation of Cavendish in 1586, and by the wreck, in 1587, of a large Venetian carrack, laden with East-Indian commodities, on the Isle of Wight. This scheme, however, combined, with objects purely commercial, privateering adventures against the Portuguese, and, though partially carried into effect, proved in the result most unfortunate. But, in 1593, the largest of all the East-Indian carracks was captured from the Spaniards, and brought into the port of Dartmouth. This vessel was homeward bound. Her size, hitherto unexampled in England, for she was sixteen hundred tons in burden, and the richness of her cargo, which was computed to be worth a hundred and fifty thousand pounds, had the effect of encouraging the English, as Anderson affirms, to embark in the direct Indian trade purely on a mercantile account. It does not appear, however, that any other direct voyage took place till the year 1596, when some individuals fitted out three ships and sent them to China, the commander being pro-

vided by Queen Elizabeth with letters to the sovereign of that empire. This little squadron never reached its point of destination; but, after encountering storms, sickness, and famine, was driven on the Spanish West-Indies, where the ships were seized, and the crews, now reduced to four men, made prisoners.

Elizabeth, there is ground to conjecture, earnestly desired to rival the Portuguese and the Dutch, by the institution of a direct trade between England and the East. Reasons of a particular nature appear, at the period under review, to have given her designs an additional impulse. The war with Spain had left the supply of the English market with Indian commodities, entirely in the hands of the Dutch and of our own Turkey Company. The prices of those commodities rose considerably; it seemed desirable to satisfy the public demand at cheaper rates; and the readiest method for this end was apparently by a direct access to India. The successive disappointments, however, that had attended all the individual projects for opening the direct trade, would naturally suggest or confirm the idea that a company should be erected for that end, with exclusive privileges. It is recorded that, in 1598, the Queen sent an envoy overland to the court of the Mogul Emperor, for the purpose of negotiating in favour of the intended association; and, on the last day of the year 1600, the association

was actually incorporated. Its subsequent history is to be the subject of the ensuing narration.

Such were the steps that led to the existence of the English India Company. The statements which have been made will, it is believed, satisfy the reader that the institution of that body was not a matter of address on the part of its members, but of judgment on that of the legislature. They may also serve, though incidentally, to illustrate the propriety, if not necessity, of the institution. On that head, however, it will not perhaps be unseasonable to submit briefly, in this place, some more particular reflexions, entirely coincident with the general purport of the present chapter.

" When a nation (says Dr. Smith) is ripe for " any great branch of trade, some merchants na- " turally turn their capitals towards the principal, " and some towards the subordinate branches of " it; and, though all the different branches of it " are in this manner carried on, yet it very sel- " dom happens that they are all carried on by the " capital of one private merchant. If a nation, " therefore, is ripe for the East-India trade, a " certain portion of its capital will naturally di- " vide itself among all the different branches of " that trade. Some of its merchants will find it " for their interest to reside in the East-Indies, " and to employ their capitals there in providing

"goods for the ships which are to be sent out by "other merchants who reside in Europe."

"If (he again observes), at any particular time, "that part of the capital of any country, which "of its own accord tended and inclined, if I may "say so, towards the East-India trade, was not "sufficient for carrying on all those different "branches of it, it would be a proof that, at "that particular time, that country was not ripe "for that trade, and that it would do better to "buy for some time, even at a higher price, from "other European nations, the East-India goods "it had occasion for, than to import them itself "directly from the East-Indies."*

These theorems the author applies to the case of Sweden and Denmark, two countries, he says, which, from their poverty, "would probably have "never sent a single ship to the East-Indies, had "not the trade been subject to an exclusive com-"pany."—"Better for them, perhaps, in their "present circumstances, to buy East-India goods "of other nations, even though they should pay "somewhat dearer."—The last sentence may be thought to bespeak somewhat less of decision than is habitual with the style of Dr. Smith; and, in his third volume, he seems scarcely satisfied even with the fundamental principle of the doctrines delivered in the passages which have been cited.

* Wealth of Nations, Book IV. Chap. vii. Part 3.

In that volume, he observes that companies may, perhaps, be "useful for the first introduction of "some branches of commerce, by making at their "own expense an experiment which the state "might not think it prudent to make," and contents himself with arguing only against the perpetuity of the exclusive grant. This virtual mitigation, however, of his censure against the grants in question, is not accompanied by any abatement of his expressions of suspicion and dislike towards the persons by whose "address" he supposes those privileges to have been procured.

There unquestionably is no reason to believe that England, during the reign of Elizabeth, was, in the technical sense of the word, *ripe* for the Indian trade. Individual or insulated exertion on that field seems wholly to have been exhausted in two or three abortive attempts. When the collective effort was made, it required above two hundred subscribers to provide the sum required for the first outfit, the shares subscribed were only of fifty pounds each, and the total amount raised fell short of seventy thousand pounds. The idea of transplanting to the East the persons and the capital of English merchants, there to be employed exclusively in the provision of goods, probably did not occur in that age. If it had occurred, however, it must have met with instant rejection. The state of the Indian governments, and the inability of the sovereigns of Europe to protect single adventurers, dispersed, without any bond of

connexion, over a vast and distant continent, could not but render such a design abortive. Without, in short, the union of a numerous body of persons, neither the requisite funds could have been raised, nor the various hazards of so remote a traffic encountered.

Indeed, it may be affirmed that none of the great countries of Europe had at that period attained the theoretical maturity of Dr. Smith. Portugal furnishes only the semblance of an exception to this remark; for, though it be true that, for nearly a century,* the Portuguese enjoyed almost the whole of the Indian trade without any exclusive company, yet it must not thence be concluded that the Indo-Portuguese trade was free or conducted by private individuals. It was, on the contrary, a strict royal monopoly. "Every ship "(says Mickle, in his History of Portuguese Asia) "which sailed from Portugal to India was the "king's property. Their Indian cargoes were "deposited in the custom-house of Lisbon, and "managed, for the use of the crown, by the re-"venue officers."†

* Dr. Smith says "for *more than* a century together;" which is not perfectly accurate, if reliance may be placed on the chronology of Mickle's Indo-Portuguese History. Gama first appeared in the Indian seas in the year 1498; and the Portuguese India Company was erected during the viceroyalty of Don Duarte de Menezes, which terminated in 1588.

† "That such companies," says Dr. Smith, "are not in ge-"neral necessary for carrying on the East-India trade, is suffi-"ciently demonstrated by the experience of the Portuguese, "who

The circumstance, however, from which the wisdom of instituting the English India Company chiefly appears, is that which Dr. Smith seems inclined to employ as an argument on the other side. It is precisely *because* the Indian trade could not have been carried on without a company, that the establishment of a company was highly proper. That the progress of a nation in arts and refinement generally needs to be inspirited by some extrinsic impulse, has already been observed; and, as Dr. Smith, after all, concedes the position, it scarcely requires to be repeated. "There is not "only (says Mickle) a torpor on the general mind "of such districts as are ignorant of commerce, "which requires to be roused into action by those "of superior intelligence; but there is also a stub-"born attachment in such minds to their ancient "usages, which half a century can hardly re-"move."* The impulse, indeed, when communicated by a ruler, should be applied with

"who enjoyed almost the whole of it for more than a century "together without any exclusive company." These words, especially in the connexion in which they occur, must convey to an ordinary reader the impression that the Indo-Portuguese trade was freely conducted by private merchants. Mickle, soon after the Wealth of Nations was published, pointed out this error; but it still remains unexpunged, though Dr. Smith revised at least the third and fourth editions of his work. The unbecoming rudeness and acrimony of Mickle's manner should not have prevented Dr. Smith from profiting by his suggestions where they were really valuable.

* History of the Portuguese Empire in the East.

caution. But, because men must not be tortured into refinement, this is no cause why they should not be, to a certain extent, disciplined into it. Because the natural instinct of capital (if we may adopt the figurative, and consequently, in such discussions, hazardous phraseology of Dr. Smith) is not to be thwarted or outraged, it must not therefore, any more than other natural instincts, be left implicitly to its own discretion.

Without reference to these general propositions, and even conceding, for the sake of argument, the impolicy, in a commercial view, of the institution under discussion, we are not authorized to conclude that it may not, in other and higher views, have been highly politic. The canons of the political economist, indeed, are laid down with little notice of other than commercial considerations, and with little account of the difficulties under which they must always, even where most approved, be carried into accomplishment. He constructs his theory as if it were to operate through an unresisting medium; but, however just his doctrines, or in whatever estimation they may be held, it is plain that, until mankind concur in esteeming commerce the chief good, infractions of them will perpetually take place; sometimes, occasioned by passion; sometimes, provoked in the way of retaliation, or rendered necessary for the sake of security. The obligation, indeed, of the laws of political economy, can hardly by any nation be fully respected, until it

is respected by the whole civilized world. Dr. Smith accordingly, has, with regard to practice, occasionally condescended to relax from the theoretical exactness of his rules. While, for example, he pronounces the Navigation Act to be in its nature altogether anti-commercial, he admits the expediency of that act in the most unequivocal terms: and the reason which he assigns for this admission is conclusive;—because defense is of much more importance than opulence. The defensive character and tendency, however, of the Navigation Act cannot be more evident than the defensive character and tendency of the commercial regulations, in general, of Queen Elizabeth. The objects embraced by the commercial system of this princess were two; the first, the promotion, to the utmost possible extent, of the foreign trade of the country; yet always under the condition, (and this constituted the second object,) that the men, capital, and shipping of the country should, as far as possible, possess a monopoly of that trade. The ultimate aim of her regulations, no less than that of the celebrated law in question, appears to have been the formation of a navy, at once powerful and, if the expression may be used, of indigenous growth. The design in both cases was the same; but the importance of that design may seem still greater under the reign of Elizabeth than during the administration of Cromwell; for no man can doubt that the dangers of the country from foreign enemies were, at the former

period, both more imminent and more terrific, than at the latter. That the policy of Elizabeth, in the patronage or establishment of exclusive companies, formed a part of the comprehensive plan which has been described, will be plain from the details already given respecting the more remarkable instances in which that policy was exercised.

There seems to be another consideration which is worth stating on this subject, a consideration, neither wholly commercial, nor wholly political, but of a mixed kind. This is the importance, in a political view, of pre-occupying, as occasion serves, particular branches of trade. When we are ripe, it is said, for a trade, we shall, as it were, naturally take it up and thrive in it. It seems to be implied in the idea of this hypothetical ripeness, that we shall then thrive, even though we should be opposed by older competitors;—that we shall overcome resistance by the mature energies of our skill, capital, and credit. All this might be well, if the resistance were to be purely commercial; if a peaceful contest of skill, capital, and credit, were to constitute the whole of the competition. But what if our competitors should, under whatever pretext, maintain themselves in the trade which they have pre-occupied, by their political power? What, if that very pre-occupancy should furnish them with a plausible pretext of this kind? Shall we assume that our own political strength will be sufficient to secure us the victory? or, shall

we rather anticipate, and thus avoid, the difficulty? Examples without number might be cited, if the single example of the Indo-European trade were not equivalent to them all, in which a nation has opposed political force to the encroachments of a commercial rival. The history of Europe is replete with such instances, from the armed commerce of the Hanseatic Association, down to the comparatively recent affair of Nootka Sound. That the rest of the world are apt to commit this injustice, certainly is no reason why we should commit it; but it seems an ample reason why we should guard against it, by being, if fairly practicable, ourselves the pre-occupants.

In the case, however, of the East-Indian trade, subsequent events have given to the consideration just submitted, double or rather tenfold weight. The importance of an early hold on that trade is now plain; for it is plain that the trade naturally led to empire. However firmly we may be persuaded that the commerce and capital of a country should be left to a spontaneous development, no man will be such a bigot to the doctrine of national instincts as to contend that political dom in ion should be suffered to follow the same law. Here, if no where else, anticipation, whether the result of sagacity and providence, or the business of accident, is of the most decisive use. Although the Portuguese, long before the existence of the English India Company, had established, in the East, dominion on the basis of commerce, yet,

Elizabeth, when she encouraged the dispatch of four or five small vessels for the spices of Java, probably little foresaw that these trifling commodities would be in fact symbols of the future possession of Hindostan. Still that policy is highly to be vindicated, which involved the contingency of so mighty an event.

We have now gained an empire in the East; but by what labours, hazards, and sufferings, at what expense of treasure, life, and courage, it is needless here to say. At one period we had to struggle under the merciless cruelties of the Dutch; at another, first to escape, and then to beat down, the daring ambition of France. Had England earlier appeared on the theatre of Indian commerce, the Dutch would at least have wanted the plea of pre-occupancy to justify their atrocious aggressions. Had she, on the other hand, waited for that theoretic maturity of which Dr. Smith speaks, it seems doubtful whether she might not have waited for ever. She would have been preceded in the race by nations less philosophical; and, without affecting to conjecture the endless and complicated combinations of results that might have sprung from a supposed case, it must at least be pronounced possible that the empire of Hindostan, either as a member, or as a dependent, might now have been annexed to that of France.

Should this supposition be cavilled at, as an idle deduction from premises confessedly imaginary,—so much, at least, is certain, that, as things are,

England has acquired a vast extent of territorial dominion and revenue in the East; no despicable acquisition, surely, even in the eyes of those who may conceive that it has not been turned to the best account; and, by the terms of his own objection, the caviller has no right to assume that, under any other system of procedure, this territory and this revenue would, at the present moment, have been ours.

HARAJA SERFOGI'S SARASWATI MAHAL. * THE TA
HARAJA SERFOGI HAL.

SKETCH,

&c. &c.

CHAP. I.

Historical account of the Company, from their first institution to the commencement of their territorial and political character.

THE direct trade of England with the East-Indies originated in the enterprising spirit of the merchants of London and the patriotic policy of Queen Elizabeth.

The circumstance which more immediately led to the systematic establishment of this trade, was the stoppage of the supplies of Indian goods from Lisbon, during the war between England and Spain. The loss of this resource obliged England to buy her spices at very extravagant rates from her own Turkey Company, or from the Dutch; and the principal merchants of London at length determined to remedy the inconveniencies arising from this state of things, by opening a commercial intercourse directly with India. In this design, the Earl of Cumberland, well known in those days for his gallantry and love of maritime adventure, seems to have concurred.

To risk the experiment individually, would have been imprudent: more than one voyage had already been made to the East on a private account; and the success of these was not such as to encourage a repetition of the attempt. The project of a chartered company was therefore formed, was discussed in large public meetings, at which the Lord Mayor and the most eminent citizens attended, and finally was submitted to the government. The proposal could not but be agreeable to Elizabeth, who saw with emulation the progress of the Dutch traders in the East, and who had, two years before, deputed an envoy, with the express purpose of obtaining, for her subjects, from the Emperor of Delhi, the privilege of trading in the Mogul dominions. Indeed, it seems probable that the plan had been originally suggested to the merchants by the Court. The Queen, however, being by this time engaged in a treaty with Spain respecting a peace, and thinking it likely that the Spaniards, who were now masters of Portugal and consequently of Portuguese India, might remonstrate against the direct interference of the English in the commerce of the East, postponed for a while the establishment of the proposed Company. The delay happily was not long, for the negotiation proved abortive; and, on the last day of the sixteenth century, a royal charter was issued, granting to George Earl of Cumberland, and two hundred and fifteen knights, aldermen, and merchants, for fifteen years, the exclusive liberty of trading in the East Indian

seas, with various other privileges annexed, and a promise of renewal for the same term, if the institution should be found profitable to the crown and the realm.

The associated merchants quickly raised a capital, with which they purchased and fitted out four of the best ships then in the kingdom, the largest of them of six hundred tons burden. These, with a small pinnace for the conveyance of stores, sailed on the 22d of April, 1601, under the command of Captain James Lancaster, a tried seaman, who had been employed some years before in the conduct of a privateering expedition to the East-Indies.

Such was the first commercial effort of Great Britain, as a nation, beyond the Cape of Good Hope. The most sanguine promoter of the enterprise could not then have imagined how important would be the sequel of these small beginnings. It seems to be thought by many persons that trade, when placed in the hands of an exclusive company, loses all its natural principle of increase; but the prodigious growth of our Indian commerce shews that there is, in this opinion, much exaggeration, if not unsoundness. The whole subscription for the voyage under Lancaster, did not amount to £70,000; and, at this day, the Company have a permanent capital of six millions;—a vast growth, surely, even after every allowance for the intermediate reduction in the value of money;—while they employ, among their numerous shipping,

many vessels singly equal in burden to the whole squadron of Lancaster.

So zealous was Queen Elizabeth for the success of the trade which she had established, that, long before the return of Lancaster, she suggested the expediency of following up the first voyage with a second on a new subscription. The measure was strongly recommended to the new association by the Lord High Admiral, the Lord Treasurer, the Lords of the Council, and even by their royal patroness herself. It was intimated to them that, "by not following up the business with spirit in the "manner the Dutch did, it seemed as if but little "regard was entertained, either for her Majesty's "honor, or the honor of the country."* But no sufficient number of persons could be found to comply with this admonition, The majority very prudently resolved to await the termination of the first experiment; an event which, unfortunately for them and for the nation, Elizabeth did not live to witness.

But, though this trade stood so high in the favour of the Queen, and, as it appears, of the nation in general, its popularity was not without some exceptions. There were writers who, immediately on the sailing of the first ships, condemned the whole undertaking.† They objected, that it would impoverish the country by exporting our bullion in

* Company's Records.

† Anderson. Sir W. Monson.

exchange for perishable commodities; that the long and arduous voyages which it required, would occasion an enormous waste of our timber; and that the climates of the East would prove destructive to our mariners. And, after all, the object was merely to glut our markets with spices, which the Turkey Company already supplied in sufficiency from the Levant. Indeed, it seems probable that the cry on this occasion was promoted, if not raised by the Turkey Company, who themselves procured their merchandizes from India only at third-hand and at a great charge, and therefore did not relish the idea of a rival establishment which should carry on a direct trade in the same articles.

However well these objections might suit the times in which they were first urged, they have now been too long exploded to need any particular refutation. But it is worthy of remark that they are objections against the Indian trade itself, rather than against the restrictions of that trade to a particular channel. A late writer,* in a work intended to shew that the East-India Company is the odious monopolist of a beneficial concern, and that it has usually been upheld only through the influence of court-intrigue and corruption, declares, that this Company "was very "unpopular for a very long period after its first "establishment." This assertion, however, is

* Considerations upon the Trade with India, page 16.

not absolutely true in any sense, and, in the sense which an ordinary reader will naturally affix to it, is not true at all. The Company, for some years after its first establishment, found but few adversaries at home; and these, we have seen, blamed it chiefly as fulfilling the commercial purposes for which it had been instituted.

The voyage of Lancaster proved, on the whole, highly prosperous. He formed treaties of commerce with the kings of Achen and Bantam, left factors in both those places, and procured from both supplies of pepper. Nor did he succeed less in war than in trade; capturing, in concert with a Dutch vessel, a large Portuguese carrack, of the burden of 900 tons, richly laden with calicoes and other Eastern commodities. It was a misfortune, however, to him and to the Company, that his arrival in England took place during the reign of James the First, and at the very period when London was to a certain degree depopulated, partly by the mortality, and partly by the terror, of the plague. A large sum of money was required, for the purpose both of defraying the current expenses of the adventure, and of fitting out a second voyage in the ensuing season. But, in the existing state of things, it was found impossible, either to procure a present sale of the commodities brought home, or to borrow even on the most unexceptionable credit; and the project of a second enterprise met with little encouragement. The original adventurers, how-

ever, were contriving means of extricating themselves from their difficulties, when the King interfered, and thought proper to intimate his pleasure that no part of the pepper which the Company had newly brought home should be disposed of, until a quantity of the same commodity, belonging to His Majesty, and then lying in Leadenhall Street (probably the royal share of the cargo of a captured vessel), should have been uttered and sold. A tedious negotiation ensued between the King and the Company; and the affair seems to have terminated in some sort of compromise, as to the nature of which no distinct information remains.

This was not the only blow which the infant association received from the infirm policy of King James. The projectors of the first voyage, having raised among themselves a second subscription, again dispatched, in the year 1604, the same ships as before, under the command of Sir Henry Middleton. Soon after the departure of this fleet, the King, in evident violation of the charter of Elizabeth, licenced a Sir Edward Michelborne and certain other persons to discover and trade with Cathai (China), Japan, Corea, Cambay, and such other places as had not hitherto been frequented by the English. In the early period of our commercial intercourse with the East-Indies, it was a business at once of the greatest importance and the utmost delicacy to avoid all infringement on the prejudices of the native

rulers within the sphere of our transactions. Whether this object would be best answered by conducting that intercourse through the agency of the Company, or through that of a local representative of the Crown, was even then sometimes made a question; but there could be no question that, if neither the one organ nor the other were employed, the object would be very imperfectly answered indeed. The expedition of Michelborne, independent as it was of all local controul, seems to have proved rather a voyage of plunder than of discovery. Some depredations which he committed on the Chinese junks trading among the Eastern islands, provoked the king of Bantam, who suffered by these practices in his customs, and who could ill distinguish between the offenders in question, and the servants of the Company, to threaten the latter with his severest resentment; nor was this inauspicious quarrel adjusted without great difficulty.

Yet James was, on the whole, favourably disposed towards the Company. In the dispute with them, already mentioned, respecting their first sale, the Lord Treasurer had officially signified "His Majesty's gracious favour and inclination "towards the Company, having respect to their "so worthy adventure made, and great charge "sustained in their last long voyage by them set "forth, so much for the honour of His Majesty "and the public good of the realm." And, in the year 1609, the King was prevailed on to grant

them a new charter, with enlarged privileges. By the letters patent of Elizabeth, British subjects had been prohibited from trading in the East-Indies without the licence of the Company, and it was provided that the goods imported by unlicenced traders into any part of the British dominions should, together with the ships importing them, incur confiscation, the forfeitures to be equally divided between the Crown and the Company. It was farther provided that the offenders should, on pain of imprisonment, bind themselves in a large sum of money to abstain from their unauthorized proceedings in future. In addition to these regulations, the charter of James empowered the Company to seize the vessels and cargoes of unlicenced traders, at any point, whether subject to the British crown or not, within the limits of their commerce. The grant was declared to be perpetual; subject, however, to a revocation in the event of its appearing to his Majesty or his successors, that the trade was not profitable to the Crown or to the kingdom.

It cannot be thought necessary to trace the subsequent steps of the trade with the same exactness as its commencement. The system of separate equipments, made on the stocks of subordinate associations, continued till 1613. During this interval, several successive voyages were made, of which only two need be particularized.

Of these the one is what was termed the sixth voyage, being however the first under the charter

of James. It took place in 1610, the fleet consisting of three ships under the command of Sir Henry Middleton; and is memorable chiefly as exemplifying the benefit which navigation, or at least ship-building, has derived from our commerce with India. The vessels which formed this fleet were in general larger than had yet been employed by the Company; and the chief of them, called the Trade's Increase, was of eleven hundred tons, a size which no merchant-ship hitherto used by the country had equalled. This circumstance, indeed, makes a principal topic of crimination in a pamphlet avowedly hostile to the Company, which appeared in about five years afterwards, and was also named, probably by accident, Trade's Increase. "You have built," (says the author, apostrophizing the Company) "more "ships in your time, than any other merchants' "ships, besides what you have bought out of "other trades, and all those wholly belonging to "you. There hath been entertained by you since "you first adventured, one and twenty ships, besides the now intended voyage of one new ship of "seven hundred tons, and happily some two more "of increase. The least of all your shipping is of "fourscore ton: all the rest are goodly ships, of "such burthen as never were formerly used in "merchandize; the least and meanest of these "last is of some hundred and twenty ton, and so "upward even to eleven hundred ton. You have "set forth some thirteen voyages; in which time

" you have built of these, eight new ships, and " almost as good as built the most of the residue, " as the Dragon, the Hector, &c.; so that at the " first appearance you have added both strength " and glory to the kingdom, by this your acces- " sion to the navy. But where, I pray you, are " all these ships?" " It was a ship" (says the writer soon afterwards, speaking of the Trade's Increase), " of eleven hundred ton, for beauty, " burthen, strength, and sufficiency, surpassing all " merchants' ships whatsoever. But, alas! she " was but shewn; out of a cruel destiny, she " was overtaken with an untimely death in her " youth and strength."*

Although some of the statements hazarded in this passage be far from accurate, as is sufficiently shewn in an able reply which the pamphlet provoked from Sir Dudley Diggs, yet, with regard to the Trade's Increase, the lamentations of the author were too just. The voyage of this ship commenced with the greatest hopes. The king had been, by his own desire, present at her launching, had named her, and was, together with his nobles, sumptuously entertained on board by the Company. It might have seemed as if the patronage of a Stuart had only entailed on her misfortune. In attempting to open a trade at Mocha, Sir Henry Middleton and seventy of his companions were seized by the Turks, and cruelly detained for five

* Trade's Increase, London, 1615.

months in prison, whence they escaped by stratagem. Similar difficulties obstructed their efforts to obtain a commercial footing at Surat. At length, at Bantam, an infectious disorder, which then raged among the natives, communicated itself to the ship's crew, of whom numbers fell victims to it, and among the rest, her gallant and accomplished commander. The consequence was that the vessel, which was undergoing a careening in the roads, being left bare of seamen, was, by the breaking of an overswayed cable, an accident which she had not hands to remedy, overset and lost.*

The other voyage, of which a particular mention was promised, is that made by Captain Best with four ships, in the year 1612. The chief purpose of this voyage was to conciliate the Mogul Emperor with regard to some contributions which Sir Henry Middleton had spiritedly levied on the Moorish vessels in the Red Sea, in retaliation for the injuries offered to him by the subjects of the Mogul. This point Best compassed by great address. He at the same time obtained for his nation, from the Court of Delhi, many privileges of great value, and, among others, the liberty of establishing a factory at Surat, which city was, for some years afterwards, considered as the principal British station in the West of India. These objects, however, were not achieved altogether pa-

* Sir Dudley Diggs.

cifically. The Portuguese, collecting a fleet of four galleons and twenty-six frigates, attacked the little squadron of the Company at Swally; but, in four several encounters, they were, notwithstanding their vast superiority of force, repulsed by the skill and gallantry of Best and his companions. This voyage, therefore, may in some sense be considered as the origin of the power of the British in the East; the two foundations of which were,—the one, the grants of the Mogul sovereigns, the other, their own naval ability and resource.

During this first stage of the existence of the Company, they made thirteen voyages; and the average profit on the capital invested in these amounted to about 132 per cent. That the actual amount of these gains may not be overrated, it should be borne in mind that the voyages in question were seldom accomplished in less than thirty months, and sometimes extended to three or four years. It should farther be remembered that, on the arrival of the ships at home, the cargoes were disposed of at long credits of eighteen months or two years, and that it was frequently even six or seven years before the concerns of a single voyage were finally adjusted. When to these considerations is added that of the notorious fact, that the ordinary profits of stock were, under the reigns of Elizabeth and James I. considerably higher than at the present day, the wonder which the apparent gainfulness of the Indian commerce

in those times must at first view excite, will probably be much diminished.

In the year 1612-13, the system of trading to India on a stock formed by a general subscription of all the members of the Company, was first established; although, for a time, the subscriptions were for defined and short terms of years, and consequently were repeatedly renewed. The Indian commerce now assumed somewhat of a methodical shape. Bantam and Surat were constituted, and they long continued, the principal stations of the Company in the East; and the whole range of their Indian operations divided itself into two parts, respectively placed under the superintendance of these two stations. The presidency of Bantam superintended all the factories comprised in what may be called the eastern India; or the tract extending from the parallel of Cape Comorin eastwards to China and Japan. The presidency of Surat controuled all the factories in what may be called, though with some little latitude, the western India; or the tract extending from the parallel of Cape Comorin westwards to the Persian and Arabian Gulfs. This division may facilitate our conceptions respecting the progress of the Indo-British trade.

What has here been termed the eastern India, might almost be denominated, with reference to the European commerce of those days, the *insular* India; the bulk of the European trade then car-

ried on in this quarter centering in the Oriental Archipelago. Sumatra, Java, and the Spice Islands, formed the scene of the earliest commercial transactions both of Holland and of England in the East Indies. The Dutch, however, having some advantage in point of time, and much in that of equipment, so firmly established themselves in the Spice Islands, from which they had expelled the Portuguese, as nearly to exclude competition in the spice trade, properly so called, on the part of the English. Yet some slight and insecure footing was early acquired in the Moluccas; and, before the year 1620, the English gained Polaroon and some other of the Bandas, by cession from the natives. The chief efforts, however, of the English Company, were directed to the prosecution of the pepper-trade; in which design, by the favour of the native princes, especially the Pangran or King of Bantam, they for a while successfully resisted their European rivals. Hence Bantam became the principal seat of their eastern commerce; a dignity which, with the exception of the term between the years 1619 and 1629, when it was superseded by Batavia, it retained for half a century.

Pepper and spices had first attracted the English Company to the trade of India; and it is curious to observe how from this, as from a root, the rest of their commercial operations ramified. At the very commencement of the joint stock, they appear to have possessed a fac-

tory at Masulipatam, on the Coromandel coast. Even before that period, they had established a factory in Japan, and, within four or five years afterwards, they obtained a station in the kingdom of Siam. Their connexion, however, with Coromandel, Japan, and Siam, if not formed, was at least continued and cherished, chiefly as subsidiary to the trade in pepper and spices. The cloths of Coromandel were in so high request both at Bantam and at the factories of Acheen and Tekoo in the island of Sumatra, as to constitute the best medium of exchange for the pepper of those markets. Japan furnished provisions of every kind for the shipping and factories engaged in the spice trade. Among the commodities best suited to the Japan market, were deer-skins and elephant's-teeth; and these could best be procured in Siam, where again Coromandel cloth sold to great advantage.

With Surat, as has already been intimated, a commercial communication was opened in 1612.* In 1615, Sir Thomas Roe, a name probably familiar to the reader, was, at the request of the Company, deputed by King James as his ambassador to the Mogul, with a view of obtaining privileges of trade for the English in the Mogul dominions. Before this mission took place, the Company had established factories in the empire; but the enlarged and more formal privileges now obtained increased the number and added to the security of

* Bruce's Annals of the East-India Company.

those factories. About the same time, similar advantages were accorded to the Company by the Zamorin of Calicut, a country situated on the Malabar coast beyond the Mogul boundary, and celebrated as the scene of the earliest transactions of the Portuguese in India. Thus a long range of settlements or agencies was formed, immediately subject to the presidency of Surat; among which were, in the Mogul territory, Broach, Brodera, Ahmedabad, and Agimere; in the Zamorin country, Craganore, and, it would appear, Calicut.*

It is remarkable, however, that all this extent of trade grew entirely from the same stem which sustained the commerce of the insular India. The eastern shores of the Arabian sea, from the gulph of Scindy downwards, were, from early times, celebrated for their cloths, although the intercourse of modern Europeans with the eastern, and particularly with the Gangetic India, has supplied them with fabrics still more exquisitely suited to the taste and elegance of Europe. The very term *callico* seems corruptly derived from the name of Calicut, already mentioned. It was the prospect of purchasing the pepper and spices of the Archipelago with the piece goods of Surat and Malabar, that drew the trade of the India Company to the markets of those places. The first voyage to Surat had been undertaken, not only with this design, but expressly by the recommendation of the factors

* Ann. Ind. Company. Mod. Univ. Hist.

at Bantam, who, in 1608, informed the Court of Committees, or, as we should now denominate them, of Directors, that two ships might very advantageously be employed in conveying cloths and callicoes from the ports of Cambaya and Surat to those of Bantam and the Moluccas.* Twenty years afterwards, we find a similar admonition given by the president and council of Batavia. They advise that, by every fleet dispatched to Surat, the Company would send money to the value of a hundred thousand rials, to be invested in Surat cloths for Java and the southern markets. They farther recommend that stock to thrice that amount should annually be sent to the Coromandel coast, to be exchanged for Coromandel cloths with the same view.† It should be observed, however, that, almost from the very beginning, indigo, destined for the European market, formed a considerable part of the lading from Surat; and that other Surat goods soon entered into the investment.

The trade of the Company with Persia commenced some years later than those branches of their commerce that have been already mentioned; that is, not till 1616. It arose also on a different ground; the object of it being to supply the English market with silk, an article of which the importation had hitherto been monopolized by the Turkey Company. In exchange for silk, English goods, chiefly broad-cloth, as also, coast-cloths,

* Ann. Ind. Comp. 1608.
† Ibid. - - - 1627-8.

and spices from India, found a ready vent in Persia. The privileges which, by repeated negotiations, the Company obtained from the Persian monarch, who was no other than the celebrated Shah Abbas, were considerably amplified in 1622. As a remuneration for their services, in assisting him to capture Ormus from the Portuguese, and in expelling the fleets of that people from the Persian gulf, Abbas granted to them, not only a considerable share of the plunder obtained in Ormus, but a moiety of the customs paid at Gombroon, a sea-port on the gulf already mentioned, where their principal factory had recently been established. This factory, however, with its dependencies, was subordinate to the presidency of Surat. It should be observed, also, that the Company extended their transactions beyond the kingdom of Persia; having commercial agents at Mocha in the Arabian gulf.

So vigorously did the joint-stock association embark on their enterprise; and, for a season, their vigour was equalled by their prosperity. The stock of the first subscription bore, at the end of four years, to which term the duration of the concern was limited, a premium of 203 per cent. In 1621, a defence of the Company was published by Mr. Mun, an eminent member of that body, and celebrated, in his day, as a writer on subjects of commercial economy. This work states that, although the Company had lost twelve ships in hostilities against the Dutch, they had yet remaining

twenty-one good ships in India, and property to the amount of £400,000. Mr. Mun farther asserts that, during the interval between the first establishment of the society and the year 1620, their exports had amounted, in silver bullion, to £540,090; in merchandizes, to £292,286. These together make up £832,376; and, of this sum, the annual average for nineteen years is £43,809.

When Mun wrote, however, the appearances of prosperity which he was hailing, had already begun to darken; and, in the seqtiel, they were almost totally extinguished. The Indo-British history, through the remainder of the reign of James, and through the whole of the succeeding reign, exhibits little else than a series of struggles against difficulties perpetually accumulating. Yet those struggles, fruitless as for the moment they were, produced a solid effect. Amidst the storms under which it was bending,—if we may not rather say, from the very effect of them,—the British authority silently struck some deep roots into the Eastern continent.

Of the difficulties alluded to, a considerable proportion arose, on the one hand, from the commercial hostility of the Dutch East-India Company, strongly abetted as it was by the power of the Dutch Government; on the other, from the uncertain policy of the native sovereigns or chiefs under whose jurisdiction the British factories chanced to be situated. With these causes, however, two other conspiring and, indeed, closely

united circumstances greatly co-operated in producing the depression of the Indo-British commerce: first, the inadequate, and sometimes almost treacherous, support which it derived from its royal patrons, James and Charles; and next, the confusion introduced into every department of the national system by the fatal revolutionary troubles.

Mention has already been made of the jealousy with which the Dutch guarded their monopoly of the spice-trade. So early as the year 1608, we find the ships of the third equipment of the English Company greatly impeded by Dutch intrigue, in the attempt to procure a cargo at the Moluccas. In the following year, however, the project of a coalition between the Companies of the two nations was tendered to the English by Prince Maurice; and the Dutch renewed the proposal a few years afterwards. That this scheme would have succeeded in reconciling the jarring interests of the parties, no man can for a moment believe: yet the offer was superficially promising; and the rejection of it by the English Company, bespeaks in them considerable firmness or foresight. Soon afterwards, the English Company having possessed themselves of stations in the Bandas, where the Dutch could not pretend pre-occupancy, this unscrupulous people attacked those stations with armed vessels. In 1618-19, the English allied themselves with the King of Bantam, then at war with the Dutch; and the confederates took Jacatra

or Batavia, which the Dutch before occupied, and had strongly fortified.* But this success was quickly clouded; in the autumn of the same year, four English ships, homeward bound from Sumatra, were attacked by a Dutch fleet of six sail; and, after a severe action, were captured, with the exception of one, which was sunk. Meantime, various negotiations took place on the subject between the governments of England and Holland, in which, however, the negotiating parties by no means waged an equal combat. The mercantile eagerness and dexterity of the Dutch, at all events an overmatch for the trifling policy of James the First, were, in this instance, sharpened by the circumstance, that not a few of the members of the States had a deep personal interest in the welfare of the Dutch Company, being themselves Directors of that association.† In July 1619, a treaty was concluded between James and the States, which contained, among other articles, this remarkable stipulation, that a superintending or arbitrating body, composed of four members of each Company, should sit permanently in India, under the name of a Council of Defence. Such a contrivance could prove only a nominal safeguard to the Indo-British trade, so long as the military means of the Dutch in the East-Indies should remain wholly preponderant and their rapacity unmiti-

* Ann. Ind. Comp. Mod. Univ. Hist.

† Ann. Ind. Comp. 1618-19.

gated. The Council of Defence was agitated by the disputes of the English and Dutch Commissioners; while the English traders continued to groan under the exactions and oppressions of their rivals. The subject at length came irresistibly home to the feelings of the English nation, by the intelligence that, in consequence of the oppressions of the Dutch, the British factories established in Japan and Siam had been wholly withdrawn; that a series of vexatious cruelties, on the part of the same people, had driven the British factors from the Bandas; and that, at Amboyna, one of the Moluccas, all the members of the British settlements, ten in number, had, on charges preposterously false, been put to death by the Dutch Governor and Council, with circumstances of the most horrible atrocity. This barbarous massacre roused even James to a display of something like spirit; he addressed indignant remonstrances to the States; and the Company and the nation might have obtained, at least, a partial satisfaction for their wrongs, had not the death of the King, which took place immediately afterwards, checked their proceedings. The new monarch, indeed, was not disinclined to support the Company against the Dutch; but the feverish commencement, and the calamitous progress, of his reign, prevented him from any effective fulfilment of his good intentions. The Dutch continued to undermine and to persecute; and the interests of the British in the

insular India to languish, till, at the beginning of the civil war, they were only not extinct.

The trade on the Coromandel coast, meantime, fared scarcely better; not so much on account of the opposition of the Dutch, although this was by no means wanting, as from a different cause. The chief British station on this coast had long been Masulipatam, a sea-port town, situated within the dominions of the king of Golconda. The tyranny with which the factors at this place were treated by the officers of that monarch, induced them to explore some resort on the coast, which should, with commercial advantages, combine the advantage of security. In this view they fixed on the port of Armagon, and having, in 1626, obtained from the *Naig* or chief of the district in which it was comprised, the cession of a piece of ground, erected there a factory, which they strongly fortified. In 1629, they altogether deserted Masulipatam for Armagon; but had scarcely taken this step, when it was discovered that, at the latter town, a supply of cloths fit, either in quantity or in quality, for the southern markets, could not be procured. The factors, therefore, returned to Masulipatam; and, afterwards, retained both stations, although neither singly, nor both jointly, fulfilled with exactness the purposes for which a station had been sought.

In the western quarter, the Company were not, at first, altogether so unfortunate. Here indeed, also, the Dutch were projecting establishments,

and the Portuguese had long been established very extensively. But the Portuguese had now greatly declined from their ancient vigour and alertness; while the Dutch, closely occupied by their projects on the trade of the Spice Islands and of Japan, could bestow but a secondary attention on these distant regions; so that, for a while, the English Company, on this side, opposed, with tolerable success, the one people in arms, and both in negotiation. Yet their trade did not proceed without obstructions. The insincerity of the Zamorin thwarted their endeavours to establish themselves on the coast of Calicut; while, at Surat, their factors occasionally suffered extortion, and, in one instance at least, even imprisonment, from the Mogul governor. About the year 1640, also, the Dutch began, more systematically than before, to harass the European commerce on the Malabar coast. Not confining themselves to intrigues at the native courts, they set up a claim of exclusive trade, and on this and other pleas equally vexatious, impeded, by means of their fleets, such English vessels as they found prosecuting the coast commerce. The English were disposed to meet these pretensions with overt hostility; and, chiefly in that view, formed an alliance with their former enemies the Portuguese, whose commerce equally suffered from the Dutch. But, unfortunately, the Dutch fleets were of such strength as securely to defy the united force of the allies.

The distresses, however, which the commerce of the Company, during the period in question, experienced, were not exclusively such as originated in the malice of foreign competitors or the unstable policy of Indian chiefs. It has before been observed, that the protection extended to this commerce, at home, by the monarchs James and Charles the First, was of a precarious, and, at times, even an equivocal nature. In 1623-4, James, and his favourite the Duke of Buckingham, as Lord High Admiral, had extorted from the Company a sum of twenty thousand pounds, for a proportion of the prize-money which these ships were supposed to have acquired by captures in the Indies, and principally at Ormus; a proceeding which afterwards constituted one of the articles of impeachment exhibited against Buckingham by the Commons. At a subsequent period, the Company were reduced to the necessity of presenting the Earl of Warwick with the sum of four thousand pounds, as a compensation for two ships belonging to him, which some of their captains had found piratically traversing the Indian seas and had seized. The amount of the sum was determined by a compromise which, though not fully completed till after the death of James, had yet originally been forced on the Company by solicitations on the part of that monarch too earnest to be resisted; and this, notwithstanding the seizure complained of had most

justifiably taken place under a clause of the charter granted by himself.

The Company received, however, a far severer wound than these, in the invasion of their privileges by Charles the First, whose necessities yet furnish some apology for his violence. In 1635, Charles licenced Sir William Courten and others to trade for a certain term of years to all places in India where the Company had formed no settlements. The grant was afterwards renewed, with enlarged privileges, for a second term. There is reason to presume that the King found his account in the cession of these favours; but the act was altogether indefensible. "When a "company of merchants (says Dr. Adam Smith) "undertake, at their own risk and expense, to "establish a new trade with some remote and "barbarous nation, it may not be unreasonable "to incorporate them into a joint stock company, "and to grant them, in case of their success, a "monopoly of the trade for a certain number of "years. It is the easiest and most natural way "in which the state can recompense them for "hazarding a dangerous and expensive experi-"ment, of which the public is afterwards to reap "the benefit."* From this reluctant concession of the great adversary of joint-stocks, it may appear that the monopoly of the East-India Company should, at the time in question, have been

* Wealth of Nations, Book V. Chap. i.

left undisturbed. The joint-stock had not then been instituted above twenty-two years; the experiment of establishing a trade with the remote nations of India had proved sufficiently dangerous and expensive; it was still incomplete; and nothing could be less just or politic in the government, than to break in on the unfinished process. In effect, the agents of Courten, overstepping even the extensive privileges conferred on them, seem not only to have directly interfered with the commercial stations of the Company, but, in some instances, even to have embroiled by their imprudence the servants of the Company with the natives. Amidst the press of difficulties with which the Company were contending, the sudden presence of these new and not very scrupulous competitors could not but materially injure them. The competitors, however, were themselves, after some transient success, brought to the brink of ruin; and an accommodation between the parties was proposed, which at length took effect in the year immediately preceding the first of the commonwealth.

Under all the complication of troubles which has been described, the Indo-British trade was not utterly lost. Amidst its very ashes, if the expression may be allowed, there seemed to be deposited a principle of re-animation. About 1640, the anxiety of the Coromandel servants to procure some station which should at once supply goods for the market of Bantam, and shelter the factors

resident on it from native insolence and Dutch malignity, guided them to Madraspatam. The goods to be obtained here were abundant, and of a superior quality; and the Naig or chief of the district willingly ceded to the Company the town and port, with the liberty of erecting on it fortifications. The English immediately built a fort at this place, with the name of Fort St. George. In 1643, they obtained a grant, conferring on them the privilege of exercising judicial authority over the inhabitants; also an exemption from customs, and a moiety of the customs which should be paid by other traders. The town, although in some respects incommodiously situated, rapidly advanced in commerce and opulence; and, in 1653, the station of Madras was raised by the Company to the rank of a Presidency.*

Nearly about the same time, commenced the commercial transactions of the British on the Ganges. The languishing state of the Indian trade imposed on the Company the adoption of every expedient for the discovery or creation of new resources. In 1634, they obtained, from the court of Delhi, the privilege of a free resort to the port of Pipley in the province of Bengal. This privilege was subsequently amplified; chiefly through the instrumentality, in 1645, of Mr. Gabriel Boughton, a surgeon of one of the Com-

* See Ann. Ind. Comp. under the years mentioned in the text.

pany's ships, who, for his professional skill, had procured from the presidency of Surat a recommendation to the Mogul court, and, by his success at that court, had conciliated the favour of the emperor. The Company, without loss of time, established factories in Bengal; the principal of them at Hughly; but this, with its subordinates, was made subject to the presidency of Madras. Such was the foundation of the presidency of Madras, and such the origin of our commercial intercourse with Bengal: events, forming an æra from which, though otherwise one of considerable distress to the Company, we may, perhaps not improperly, deduce their present greatness.

The Company received their first regular dispatches, both from Madras and from Bengal, in the very year which kindled the civil war at home.* Notwithstanding those communications, however, no sagacity on their part could have discovered, in their present situation, any promise of their subsequent aggrandizement. For it should be noticed, that not only was the state of their trade in the East most unfortunate, but the distracted condition of public affairs, by impeding the disposal of Indian produce, served to complete their embarrassments.

At the commencement of their career, success and popularity seemed alike to attend on the pro-

* Ann. Ind. Comp.

gress of the English East-India Company. The former of these attendants, we have seen, had now deserted them; and it may be curious to enquire whether the other still remained constant. From the beginning to the middle of the seventeenth century, public opinion was rising in importance; and its movements during that time, even those of a slighter kind, become more and more an object of attention to the historian.

Those who represent the Company as having acquired and maintained its privileges chiefly by practicing on the venality of kings or ministers, very consistently assert, that, through the whole of the period in question, those privileges were becoming more and more obnoxious to the popular feeling. In connexion with this part of the history of the Company, much has been said of the strong and growing dislike in which monopolies were held by the parliaments of Elizabeth and her two successors; a dislike, which resulted in the condemnation of a vast number of patents granted by the Crown, and, at length, in the expulsion, from the House of Commons, of all such members as had recently been concerned in any monopolies or projects. The implied statement is, that all commercial privileges were then equally unpopular, whether conferred on individuals or on societies; and the intended inference, that an exclusive company must rank with those abuses which are naturally engendered under an arbitrary

government, which a nation shakes off in proportion as it knows and values the principles of freedom, and which, where they exist in a free nation, are only the expiring remains of former servitude.

It is demonstrable, however, that exclusive commercial companies were not, at that time, generally classed with monopolies properly so called, or comprehended in the universal odium which monopolies excited. Nor would it be difficult to shew that whatever unpopularity attached to companies, at least in point of principle, was at its height at the very beginning of the reign of James the First, and, from that period to the period of the civil war, rather declined than increased.

A considerable authority, Anderson, has in some degree countenanced, perhaps unwittingly, the misrepresentations alluded to. After speaking, and with praise, of a petition and remonstrance presented by the Company to the House of Commons in the year 1628, he adds, "yet we "must here, in point of justice, remark, that in "that whole piece there is not the least mention "of the Company's being a monopoly, although "that was then one of the objections against it. "The Company's silence on that tender point "was probably the effect of their great prudence, "as not being able in that critical time to satisfy "the House of Commons concerning what they

" were then loudly complaining of in general, " both within and without doors."* This reflexion was not meant sarcastically; for Anderson always professes himself a friend to the Company: but whence this excellent author had learned that the privileges of that body were a theme of loud and general complaint both within and without the House of Commons, is inconceivable. Indeed the silence of the Company on what Anderson calls the " tender point" of their monopoly, might of itself furnish a presumption that their monopoly was not so very tender a point in those days. What strengthens the presumption is, that the same silence pervades two *exposés* which the Company laid before the House of Commons in the years 1621 and 1624 respectively; as also, " an " answer to objections made against them in the " House," which they printed and distributed among the members in 1623; and farther, a work entitled " A Discourse of Trade unto the East-" Indies," which was written by Mun, then a leading East-India *Committee* or Director. The stratagem of silent evasion may, under particular circumstances, have its use; but that a body of men, formally presenting themselves at the bar of their country, should have thought to make good their defence by standing mute, as it were, with respect to the principal charge against them, and, still more, that they should have so obstinately per-

* Macpherson's Annals of Commerce, Anno 1628.

severed in so strange a plan, passes all human belief.

Although it would be hard to discover, from any direct evidence, on what terms the Company stood at the time in question with the people, it is not difficult to learn what, in one view, may be still more interesting, and, in another, is nearly the same thing, how they stood with the successive Houses of Commons, whose feelings and language, through the whole of this eventful period, partly led and partly reflected those of the middling classes in general. The enquiry, however, must be directed, not to the sentiments of individual members on this subject, but to those entertained by the House, that is, by the majority of the House. This limitation is the more requisite, with regard to an age which might be called an age of *adventure in thinking;* an age, in which all established political opinions were so much disturbed and set adrift, that every man had in a measure to make his own creed. Besides this, it should be remembered that the question is, how far the *principle* of exclusive commercial companies was impeached; and this enquiry will not be resolved by shewing that the Commons were hostile to some of the companies then existing, or even that they exercised a jealous and watchful controul over them all.

The clamour against monopolies first broke out during the reign of Queen Elizabeth, and became considerable within a twelvemonth after the esta-

blishment of the India Company. On this occasion, a bill "for the explanation of the common "law in certain cases of letters patents," was brought into the Lower House, and had nearly passed through it, when the Queen wisely repelled matters from the crisis to which they were hastening, by conveying to the House the strongest assurances that the grievances of which they complained should be instantly redressed. On the reception of this message, the bill was suffered to drop, and the violence which seemed struggling in the bosoms of the House for the opportunity of some pernicious exertion, spent itself in extravagant demonstrations of joy and gratitude.

The bill in question, as incidentally appears from some of the speeches which it called forth, contained a proviso in favour of grants made to corporations.* Whether grants to exclusive trading companies were expressly comprised in the exception, it is not material to know; for no person can read what is preserved to us of the debates on this occasion, without being satisfied that, both in the provisions of the bill, and in the minds of those who supported it, the *individual* monopolies then existing, formed the whole and the only subject of complaint. Not only do all the expressions used, and all the grounds of argument taken, on both sides of the question, clearly prove the point; but, of about forty patents ex-

* Cobbett's Parliamentary History.

pressly instanced in the course of the proceeding as being aimed at by the bill, all are of this kind. Without transcribing much of what passed in the debate, the distinction kept in view by the supporters of the bill will appear from a single passage in the speech of Lord Bacon, who opposed it. "If her Majesty make a patent (or, as we term "it, a monopoly) *unto any of her servants*, that "must go, and we cry out of it; but if she grant "it to a number of burgesses, or a corporation, "that must stand, and that forsooth is no mono-"poly." It is curious that this illustrious vindicator of private patentees here concurs with some less renowned persons who have since his time condemned exclusive companies, in seeing no essential difference between a grant bestowed on an individual for his private benefit, and privileges entrusted to corporations with a view to the advantage of the public. The point for present consideration, however, is not the argument of Lord Beacon, according to which no such difference exists, but the fact which his argument helps to establish, that such a difference was at least believed to exist by those who were then the declared advocates for the liberties of the subject.

Under the successors of Elizabeth, monopolies revived, and the clamour against them revived also. Still it appears that the exclusive companies were never ranked by the House with monopolies, properly so termed. On the contrary, a distinction was made between patents of *monopoly*, (as

the phrase was), and patents simple of *privilege;* and this distinction we find directly sanctioned by Sir Edwin Sandys, well-known, not only as an eminent popular champion of those times, but also as the leader of the Commons in all their proceedings relating to freedom of trade.* At length, the general monopoly-act passed;† an act, which has been represented, perhaps properly, as destructive of the power before assumed by the Crown, of imposing restrictions on trade at pleasure; but, what seems less warrantable, this statute has also been referred to as if, in its legitimate construction, it had abolished all the exclusive companies at that time in existence. So far from this, it explicitly legalizes, in point of principle at least, those companies, by a proviso enacting that nothing contained in it shall extend to any corporations or fellowships of any art, occupation, or mystery, or to *any companies or societies of merchants within this realm, erected for the maintenance, enlargement, or ordering of any trade of merchandize.*

The discrimination which this act thus avowedly made, was also kept in view by the revolutionary leaders in the ensuing reign. So much may undoubtedly be collected, as from many other circumstances, so from the language of the celebrated *Remonstrance of the State of the Kingdom,*

* Commons' Journals, 4th May, 1614.

† 21 Jac. I. cap. 3.

published by the Commons in December 1641. Of that publication, the professed purpose was to declare to the world the grievances which had oppressed the kingdom for many years; the progress which had been made, as the authors express it, "by his Majesty's goodness and the wisdom of "Parliament," towards "the extirpation of those "dangerous evils;" and the measures still requisite for the complete re-establishment of "the an-"cient honour, greatness, and security of this "crown and nation." Monopolies, of course, hold a place among the grievances enumerated in this paper; but, in the account afterwards given of the reforms which had already been effected, the following statement occurs:

"*The monopolies are all suppressed*; whereof "some few did prejudice the subject above a mil-"lion yearly; the soap, £100,000; the wine, "£300,000; the leather must needs exceed both; "and salt could be no less than that; besides the "inferior monopolies, which, if they could be "exactly computed, would make up a great "sum."

When it is considered that the framers of this declaration were the very men who had for years been inveighing against monopolies, the passage just quoted cannot but be allowed to make it clear that they had not commonly included the privileges of trading companies under that general head of invective. For, to say nothing of the instances

by which the passage exemplifies the nature of the monopolies in question, the fact is notorious that, at the moment when the universal suppression of monopolies was thus announced, many trading companies were in existence, and some with every prospect of existing for an indefinite length of time.

It is now plain with how little justice the personal monopolies of those times have been dragged into the controversy respecting exclusive companies. Those companies, however, it is still possible, may have been reckoned grievances, though in a less degree, or on distinct grounds.

In the first session of the first Parliament of James, a bill was brought into the Commons, "for "free liberty of trade into all countries." From an able report afterwards drawn up by Sir Edwin Sandys, who had been the Chairman of the Committee to whom this bill was referred, its nature and objects may be satisfactorily collected. Regulated companies it did not aim at dissolving; but simply provided for a more easy admission into them, and imposed restraints on their monopolizing spirit. To joint-stock companies, however, if if not decidedly adverse, it was at least unfavourable. The bill, it is said, after much debate, passed the House by a great majority. It was then sent to the Lords, who desired a conference on the subject; and, in the event, the bill was dropped, with an understanding that it should be revived in

the following session. It was in fact revived, though not till the next session* but one; when it passed the Commons, and was sent back from the Lords with amendments, which were adopted; yet the bill, it is not easy to say why, never became a law. We afterwards hear of it again in the year 1620, when it is committed by the Commons, but again drops; and, once more, in 1623, when it disappears after being read only a first time. Certain it is, that nothing amounting to the comprehensive measure which formed the basis of this bill, was afterwards adopted by the House, nor, as far as appears, even meditated. On the contrary, while some of the patents of the trading companies then in being, both of the regulated and joint-stock class, were condemned, and probably with the greatest justice, others were confirmed. Nor is it to be supposed that the Commons, amidst the distractions of that turbulent period, were inattentive to the concerns of commerce. Besides the committees of monopoly and grievances, there was always sitting a grand committee of trade, whose peculiar province it was, carefully to deliberate on the commercial interests of the nation, to examine all the alleged impediments to the promotion of those interests, and, among other proceedings in this view, to scrutinize minutely every commercial patent complained of; duties, which appear to have been discharged with unremitting diligence.

* The second session lasted only a month

With regard to the East-India Company, they, not seldom during these reigns, came under the revision of Parliament; sometimes, at their own instance. In the month of February, 1620, we find them attacked in the House of Commons on the charge of having drained the country of its treasure by their exports. The debate which took place on one of these occasions, seems to afford sufficient evidence that their monopoly was by no means considered by the popular partizans as a flagrant outrage on the principles of liberty. Mr. Glanville,* who had originally opened the attack against them, having intimated his wish that, if any members of the Company took a part in the debate, they would signify themselves to be such; among those who complied with this proposition, and vindicated the Company, we may perceive some of the warmest supporters of the popular cause. One of these, Sir Dudley Diggs, who had already signalized himself by a pamphlet in defence of the Company, was indeed, some years afterwards, gained over by the Court, and made Master of the Rolls; but, at the time in question, this person ranked as one of the leaders of the country-party, among whom he was distinguished for his eloquence.† His coadjutors on the present occasion

* Commons' Journals, 26 Feb. 18. Jac. 1.—Cobbett's Parliamentary History, vol. ii, page 1194.

† See Sir E. Coke's compliment to him. Commons' Journals, 9 Mart. 18. Jac. I.

were Mr. Towerson and Sir Thomas Roe, the latter of whom the Company, in consideration of his services to them in India, had complimented with an honorary seat in their Court of Committees. Of these gentlemen, both apparently, and Sir Thomas Roe certainly, were attached to the opposition. It seems, however, very improbable that professed adherents of the opposition should have committed their popularity on the support of an institution regarded by their brethren as a public nuisance, still more, that they should have maintained, and even avowed, a connexion with it. Or, reversing this reasoning, it is very improbable that men interested in an institution which depended for its existence solely on court favour, should have been among the systematic opponents of the court in Parliament.

In 1624, the Company, by the command of the House, brought in their patents, as also an account of the state of their trade for the previous four years. Notwithstanding which, when Buckingham was impeached by the Commons in 1628, the Company were so far favoured, that not only the extortion practiced against them by that minister was made (as has already been said) one of the articles of impeachment, but an uncalled-for encomium is passed on them in the preamble of the article. "Whereas the honour, wealth, and "strength of this realm of England is much in-"creased by the traffic, chiefly, of such mer-"chants as employ and build great warlike ships;

"a consideration that should move all counsellors "of state, especially the Lord Admiral, to cherish and maintain such merchants."—Certainly, none of the patentees, individual or corporate, whose privileges were condemned by the House, would, under similar circumstances, have been thus honoured. In 1642, the Committee in the Commons for trade, of which Sir Harry Vane was the Chairman, mediated between the Company and Mr. Courten, the son of Sir William Courten, thus unequivocally recognizing and, to a certain extent, countenancing the former. From the records in the India-House it appears that, in the same year, the Governor of the Company announced to the proprietors the probability of a speedy confirmation and even an enlargement of their privileges by Parliament. For the delay in the fulfilment of the hopes thus held out, the civil war, which now broke out in all its fury, may sufficiently account. In the latter end of 1646, however, an ordinance for establishing the Company passed the Commons, but was rejected by the Lords. Another interval of suspense followed; till, at length, in 1649-50, (the House of Peers having been then aside), the Parliament finally voted the long-expected resolution; and, although it must be owned that, at this period, they were no longer free agents, yet the measure in question was in evident harmony with their previous intentions.

Let it not be thought that the decisions of that

Parliament which disgraced a cause originally good by a long career of violence and bloodshed, a career terminating, as it had begun, in judicial murder, are here meant to be cited, as being in themselves worthy of the slightest respect. Yet, for our present purpose, the authority of that body may even be the greater, the better their claim is made out to the character of unscrupulous and unprincipled extravagance; because, in the instance here under consideration, they acted in direct opposition to their prejudices. Their general hatred of prerogative seemed to resemble that species of popular fury, which, in its indignation against some supposed public delinquent, is apt to make a sacrifice of his most distant and most unoffending relations; and, at such a crisis, the deliberate exemption of a few individuals from the common fate, can only be ascribed, either to a general bias in their favour, or to a strong general persuasion of their innocence.

In effect, the chief objection then urged against the Company, as appears both from their own records, and from every other source of information, was their trading with bullion; and this, not as the charge is now sometimes brought, on the ground of their not affording sufficient encouragement to our exportable manufactures, but simply according to the old prejudices against the exportation of treasure. It was about the middle of the century under review, that these prejudices were displaced by the doctrine, now equally ob-

solete, of the balance of trade; a revolution, of which it may be suspected that our Indian commerce was one proximate cause. Without supposing, what some appear to believe, that the mistaken opinions in political economy, so long current throughout Europe, were broached by merchants malignantly confederated in behalf of their own paltry interests against those of the public, we may naturally presume that a merchant, like other men, is, in considering a general question, not entirely safe from the warp of private views. On this principle, it might have been anticipated that, among the first and the most active to expose the fallacy of the old theory respecting the non-exportation of treasure, would have been some person engaged in a traffic which required that treasure should be exported; and so the case appears to stand. The person alluded to is Mun, the title of whose book on this subject, "England's Treasure in Foreign Trade," "became," as Dr. Adam Smith says,* "a fundamental maxim in the political economy, not of England only, but of all other commercial countries."† Mr. Mun, however, was an East-

* Wealth of Nations, Book IV. Chap. i.

† Anderson, in his History of Commerce, assumes, that the statement of English exports, given in Mun's book, refers to the year 1664, in which the book appeared. This is an error in that generally accurate historian. The book (as the dedication shews) was published, after the death of the author, by his son;

India Director; he had written in defence of the Company, in 1621; he had drawn up "The Petition and Remonstrance," presented by the Company to Parliament, in 1628; and it is curious that, of a great part of this Petition and Remonstrance, his work on Foreign Trade contains an almost exact transcript. It may be perceived, therefore, in what manner his mind had been led to the positions maintained in that work.

Yet this author, acute and able as he unquestionably was, failed of the conclusions to which, not only his feeling for the interests of the Indian commerce, but the natural and even imperious course of his own reasonings, might have been expected to bear him. He settled in the notion of the balance of trade, a notion, equally with those which he had discarded, bottomed in the maxim that treasure is the only national wealth. Not but that the altered doctrine was also an improved one, since it somewhat enlarged the scope of the exporting merchant, by allowing him to adjourn a difficulty formerly ever posted at his threshold. But its fundamental absurdity, coupled with its practical efficiency, fully entitles it to the censure of Dr. Smith, when he observes that, in consequence of this change of theory, the attention of government was, "from one fruitless care, turned away to another care much

son; and there seems good reason for believing that it had then been composed many years.

"more intricate, much more embarrassing, and "just equally fruitless."* Yet it is curious to observe how narrowly Mr. Mun missed of the modern and just conception of the subject. "Neither is it said (he observes in one place), "that money is the life of trade, as if it could "not subsist without the same; for we know that "there was great trading by way of commuta- "tion, or barter, when there was little money "stirring in the world. It is not, therefore, the "keeping of our money in the kingdom, but the "necessity and use of our wares in foreign coun- "tries, and our want of their commodities, that "causeth the vent and consumption on all sides, "which makes a quick and ample trade."†

The satisfaction, whatever it was, which the ordinance of Parliament might afford to the Company, was quickly removed by the abolition of the authority that had passed that ordinance, and the breaking out of the war with Holland; the former of which events again unsettled, in a manner, their privileges, and the latter exposed them to aggravated injuries from the Dutch in the East. The pacification, indeed, of 1654, which secured them a compensation, however inadequate, for their past losses, by procuring the restoration of Polaroon, the spice-island wrested from them, as has been related, by the Dutch thirty years before,

H 3

* Wealth of Nations, Book IV. Chap. i.

† England's Treasure by Foreign Trade, Chap. iv.—Company's Remonstrance (published 1641), page 29.

and likewise a considerable sum of money, would have brought them some consolation, had it not been instantly followed by the adoption of a measure, on the part of Cromwell, which virtually abrogated their exclusive privileges. A considerable number of individual merchants were permitted to embark in the Indian trade altogether independently. Thus the trade was in effect laid open; in which form it continued till the year 1657, when the Protector reinstated the Company. Ever since this suspension of the Company under the Protectorate, the consequences attending the experiment have been the occasion of much discussion among the disputants on the subject of our Indian system.

It is very commonly believed that those who adventured in the trade during its season of liberty, found it altogether a losing one; and from this fact some advocates of the Company have been apt to infer that our commerce with India can prosper only under the protection of a joint-stock. Certain late writers, however, have affirmed that the adventurers of that period "were eminently successful," and, setting down the contrary statement for the result, either of gross ignorance or of dishonesty, have proceeded exactly to reverse the inference built upon it. In thus arguing, it seems to the present writer that the two parties are appealing to an experiment, which was not protracted long enough to be complete and satisfactory, and which, at all events, being a single experiment, should be quoted rather as illustra-

tive than as conclusive of the matters in litigation. Still the subject, even in this view of it, may deserve to be investigated; and, at any rate, it is desirable that the facts of a case on which so much stress has been laid should be settled, if possible, once for all.

Should it appear that the experiment of the open trade failed, it will not follow that the advocates of the India Company may rely on it so securely as they have sometimes done; but it will inevitably follow that the opponents of the Company can no longer rely on it at all.

When the Company were deprived of their privileges, they still continued their concerns, though designedly on a reduced scale; and, at the same time, some of the members of the Court of Committees took their chance among other adventurers, by engaging in the trade on separate stocks. The correspondence which these parties maintained at the time with their respective agents in India, is still preserved in the Indian Register Office, and throws much light on the effects produced by the opening of the trade. The papers of which it consists, were written, not for publication, but in the course of business, and written by a variety of persons, most, if not all, of whom had an interest in transmitting correct intelligence with respect to the subjects now in view. Their united authority, therefore, where they agree, and even the single assertion of any one of them, if it harmonizes with the general strain of all, is

entitled to much greater confidence than could be placed in the representations of a public and formal statement, or in the exaggerated pleading of a partizan. It may be proper to begin with tracing, by the help of this correspondence, the manner in which the opening of the trade affected the state of the market. A review of the effects produced on the prices in the market cannot fail to illustrate those produced on the interests of the merchant. But as, even independently of this consideration, the consequences of so great a change of system may interest attention, the research into them will not be rigidly confined to the purposes for which it is primarily undertaken.

From the documents alluded to, we learn that the quantity, both of the exports to India and the imports from it, became unusually large during this period; and also, what might have been guessed, that a warm competition subsisted among the traders concerned. It stands to reason that these effects must have mutually promoted and reacted on each other.

One consequence of their joint operation was the depreciation of our exports in the Indian market; where the lead, broad-cloth, and other articles, silver included, of England, fell with astonishing rapidity. In 1656, they sank, in several instances, as low as the prime cost; in some, yet lower; and, in the following year, the depression still increased. The same struggle which so low-

ered these commodities, advanced those of the country on the European buyer. The coarse saltpetre of the year 1656-7, was dearer than the refined of the preceding year by sixty per cent. and other goods rose in proportions not much smaller. The sequel may be guessed, when the cargo arrived in Europe, where a third contest was to beat down merchandizes brought to market at so great a charge. Towards the end of 1658, when the career of the private trade finally closed, callicoes were so much reduced in England, that, after defraying duties and charges, they would not yield prime cost; and at that time it was computed that the stock of callicoes and indigo on hand was sufficient for two or three years. It is observable that, owing to a re-exportation of a part of the superfluous imports to the continent, possibly in some measure to a direct exportation thither from India, the depreciation of Indian goods extended itself to the continental markets, and, among others, to those of Holland.

All this, it will be said in the language of Dr. Smith, must have proved a great encouragement to production in the East; but unhappily it was to production of a spurious kind. The natives of India, a race of men more ingenious than industrious, found means to meet the increased demand at little other expense than that of the quality of their fabrics. The callicoes, in general, were exceedingly debased, both with regard to goodness and dimension, and the merest trash passed for

indigo at enormous rates. It should be recorded to the honour of the agents of the Company, that, amidst this universal scramble, they seem to have been far more scrupulous respecting the quality of their purchases than many of the private traders.

There was another and a most essential branch of the Indian trade, which felt the influence of the general competition. This was the traffic in *nuzzirs*, or presents to the native governors and grandees, whose favour every Indo-European merchant in those days found it convenient to secure by periodical offerings. Those personages may be said to have risen, in common with the products of their country, to an exorbitant price. Besides, their patronage was to be paid for in an increase of homage as well as of gifts. The English, by disunion, had lost, not only that real strength, but also that imposing appearance of strength, which belongs to an undivided and concentrated body, and seem consequently to have suffered many indignities.

Such were the difficulties with which our Indian merchants had to contend during this time of trouble; to all which must be added the usual, if not more than usual, hostility of the Dutch in the East. And if it could really be made out that, from such multiplied dangers and hardships, the private adventurers emerged "eminently successful," the cause of private adventure, it must be acknowledged, would be triumphant indeed. But it requires no great mercantile experience to see,

in this picture of increased charges, glutted marts, and stagnant warehouses, such internal argument of distress and embarrassment resulting to the persons concerned, as nothing short of the strongest opposing evidence can overcome. We are already, therefore, furnished with presumptions relating to our inquiry, which are violent and almost irresistible; and it is with these in our hands, that we must proceed to consider the direct testimony attainable on the subject.

Perhaps this part of the question might be at once disposed of by the quotation of a very few words from Anderson, "Yet it is generally said," he observes, "that even the interlopers, or separate traders, were losers in the end."* Add the weight of this general concurrence of witnesses to that of the presumptions already mentioned, and the controversy seems to be set at rest. But, as Anderson does not himself deliver a decisive opinion on the point, some farther detail may be thought requisite.

The earliest direct authorities within reach on this matter, are a number of pamphlets, produced during the paper-war which raged towards the latter part of the seventeenth century, respecting the exclusive trade to India, and still extant. Of this number one set, of course, espouse the cause of the Company; and with these, the fate of the separate adventurers under the protectorate is a

* Anderson, anno 1657.

favourite common-place. They confidently assert it as a notorious fact, that those adventurers suffered deeply by their exertions, and were, after a a short trial, among the foremost to solicit the restoration of the Company.

Should it be said that these were interested, or, at the best, partial witnesses, yet, at all events, the positiveness of their assertions proved that they were not afraid of joining issue on them, and imposed on those of the opposite interest the obligation of contradicting them, if they could. But it is a curious circumstance, that none of the opposite interest have ventured to contradict those assertions. The present writer has taken pains to inform himself on the subject, and is not aware of a single exception to his remark; nor, indeed, would one exception sensibly affect its force. The opposing authors in question allude to the time of the open trade, and celebrate it as a season when the luxuries of India were cheap and plentiful; but not one or them controverts the statement, loudly and incessantly pressed on them by their antagonists, that the traders on that occasion were nearly ruined. They uniformly take refuge in the *national* benefits due to the spirit of those adventurers, without once protesting against the supposition that, in thus benefiting (as is alleged) the country, they had sacrificed themselves.

In one or two instances, somewhat more than simply a tacit concession of this fact may be found among those authors. One of them has the fol-

lowing observation: " As for the instance, that, " when this trade was formerly open, people " ruined themselves by trading to loss; there was " not one tenth part of the callicoes and other " East-Indian goods consumed that there is now, " and has been of late years."* The language of another is, perhaps, still more marked. After citing at length the allegations of the Company with regard to the fate of the private traders, he makes this among other observations, that " the " trade was enlarged, and the nation enriched, " *though the adventurers made the less profit.*"†

The writers in question generally affirm that, during the open trade, the English importations from India, both into this country and into continental Europe, were unusually abundant, and the imported goods so cheap, that we undersold the Dutch India Company, and even threatened that body with ruin. It is said moreover by one of them, that, in order to rid themselves of a competition so formidable, the Dutch bribed certain persons of influence in England to procure the re-establishment of the English Company.

This cheapness and abundance have already been so fully admitted and explained that they can need no farther comment. Nor will it suffice

* A Discourse concerning East-India Trade, 1693.

† Letter to a Friend concerning the East-India Trade, 1696.

to answer that, though cheapness and plenty furnish no argument of the success of the trader, yet *continued* cheapness and plenty furnish strong arguments to that effect; for to talk, in the present instance, of continued cheapness and plenty, would be a mere abuse of language. The Indian trade remained open only for about four years; and this in times when it could not make its returns in less than two or three. But men are always slow to abandon an enterprize on which they have embarked a great amount of stock, and, if the expression may be allowed, of hope. Add to this, that an overstocked trade becomes not unlike a lottery, in which a few prizes stand conspicious amidst the general disappointment; and, while human nature remains unaltered, a lottery will seldom want subscribers. For these reasons, even if the open trade and the plenty and the cheapness had continued for a much longer period than four years, it could not have been inferred that the merchant importers, as a body, were successful.

With respect to the underselling of the Dutch Company by the private traders, this was manifestly a collateral effect of their selling so cheap, and, therefore, must be at least as problematical a proof of their success as the cheapness to which it was owing. It is posssible, indeed, that to undersell the Dutch was one of the very objects for which they sold cheap; but it does not follow that

the advantage did not cost them a heavy price. And, if the Dutch could only by base and corrupt means contrive to free themselves from this rivalry, it would merely follow that an eager rival is not very scrupulous in the choice of his weapons. Or, at least, only this would follow in addition, that Cromwell, or his ministers, in settling the important question of the Indian trade, were swayed rather by low and selfish, than by patriotic motives. But it must, after all, be observed, that this story of bribery stands on the bare word of a single party-pamphleteer, who wrote forty years after the supposed transaction, who wrote, too, anonymously, and who does not appeal to a single document in support of his allegation.

It cannot be necessary to prolong this disquisition, already too tedious, by any elaborate remarks on some arguments, or rather assertions, which have been offered on the other side of the question. But, as the author of the Considerations, in maintaining that the private adventurers between 1654 and 1657 "were eminently successful," charges those who make a contrary statement with "gross ignorance or mis-representation of facts," his confidence and asperity may entitle him to a short hearing.

The only authorities which this writer cites in favour of his own account, are three quotations. One of these he acknowledges to have been bor-

rowed at second-hand from Anderson's (it should rather be Macpherson's) History of Commerce. The other two turn out to have been borrowed from the same work, though without any acknowledgement; and, in both of these, he has mistaken the words of Mr. Macpherson himself for those of the works to which that author refers.

The first-mentioned quotation is merely one of those passages asserting the cheapness and plenty occasioned by the opening of the trade, which have already been amply considered.* But the author, in avowedly taking this passage from Anderson, has forborne to intimate to his readers the remarkable comment with which Anderson accompanies it. "Yet (observes that historian), it "is generally said that even the interlopers, or "separate traders, were losers in the end."† Which words, though suppressed by this writer, are of some importance, inasmuch as they go far to prove him in the wrong.

The second quotation is; "Thurloe, Cromwell's "Secretary informs us, in his letters, that the merchants of Amsterdam, having heard that the "Lord Protector would dissolve the East-India "Company at London, and declare the navigation "and commerce to the Indies to be free and "open, were greatly alarmed, *considering such a*

* Considerations, page 17.

† Anderson, anno 1657.

" *measure as ruinous to their own East-India Com-*
" *pany.*"* The letter, however, in question, is not Thurloe's, though it be found in Thurloe's collection, and the words here given are not from the original, but from Mr. Macpherson, who has, with an inaccuracy of which his valuable work affords few instances, somewhat exaggerated the original expressions.† The letter writer merely says, " which
" doth cause great jealousy at Amsterdam, as a
" thing that will very much prejudice the East-
" India Company in Holland." But, at all events, it has been shewn that the Dutch Company had good reason to fear the interlopers, independently of any supposition of their success.

A third document on which this author relies, is not indeed what it professes itself, an extract from the defence of the India Company presented to the Privy Council, in 1681, but it is an extract from a pretty faithful representation of that paper by Anderson. The original words are these:

" It cannot be denied by any reasonable man,
" but that a joint-stock is capable of a far greater
" extension, as to the number of traders, and
" largeness of stock, than any regulated Company
" whatsoever, because in a joint-stock, noblemen,
" gentlemen, shop-keepers, widows, and orphans,

* Considerations, page 18.

† The original expressions are properly given in the old editions of Anderson.

"all the King's subjects of any profession or de-
"gree, may be traders and employ their stocks;
"whereas in a regulated company, such as the
"Turkey Company is, by their own shewing,
"none can be traders, but such as they call legiti-
"mate or bred merchants.

"And, which is a consequence of the former
"reason, if the trade of India were laid open, the
"adventurers for India would certainly prove less
"by three quarters than now they are; for, in
"such case, *those that have the skill only, would*
"*run away with the whole trade, as in fact they did,*
"*when that trade was open about five and twenty*
"*years past.*"

By what species of skill the private traders alluded to, contrived to "run away with the whole trade," we have before seen; and this passage, therefore, would call for no farther notice, were it not that it emphatically compliments those private traders, as distinguished from traders on a joint stock, with the designation of *men of skill.* This phrase, coming from the mouth of the Company, may at first view appear a very important admission.

But those who are acquainted with the controversial writings, of those days, on the Indian question, or even who will carefully examine the drift of the whole passage just quoted, will easily perceive the meaning of the Company. It was, at that time, no unusual argument in favour of a joint-stock trade, that it enabled many idle capi-

talists, by holding shares in the funds which fed it, to promote the interests of commerce without being regular traders. In the passage before us, the Company are merely contending that, if the Indian trade were laid open, this advantage would be lost, the capital thenceforward employed in it being limited to what the professed traders, the "men of skill," who immediately carried it on, could of themselves furnish; and this case they assert to have been already realized twenty-five years before. Thus, then, "those that have the skill," are not skilful traders, in opposition to traders less skilful, but traders by profession, or (what they evidently mean for an equivalent expression) *bred merchants*, in opposition to those who contribute not skill but merely capital.

That this is the real construction of the clause in question, will be set beyond doubt by observing the manner in which the same argument, when again urged by the Company some few years after, is noticed by one of their declared opponents. "But to evidence clearly to you that, were this "trade settled in a regulated company, the nobi-"lity, gentry, widows, and orphans, would have "greater opportunities at all times to be concerned "than in a joint-stock; I offer, as an instance, "those trading ships which they call interlopers, "in which *not above one third of the persons con-"cerned are merchants*, but their stock is made "up by voluntary subscription of all degrees of "persons, who choose known experienced mer-

" chants to manage it for them, in which every " subscriber hath a vote."* Whatever may be thought of the reasoning on either side, the writer of this passage plainly meant to deny that private traders were, in the technical sense of the term, " men of skill."

So much for the subject of the open trade, on which the author of the Considerations will probably now wish that he had delivered himself less confidently. With respect to the restoration of the Company, the unquestionable patriotism of the government of Cromwell in all national concerns, the general regard of that government for the interests of English commerce, and, above all, their well-known disposition to humble, by every possible method, the commercial greatness of Holland, should protect them from the suspicion, unsupported as it is, of having been directed to that measure by corrupt considerations, still more of having been bribed to it by the Dutch. Nor does the measure seem to have been lightly or accidentally adopted. It was referred by the council to a committee of their own body, among whom it was the subject of several debates, and then of a report; which report, however, it would appear, the council did not adopt without some discussion. It must, therefore, be considered as a deliberate act.

This was, indeed, no more than a due reward

* A Letter to a Friend concerning the East-India Trade, 1696.

for the public spirit, and it may be added, the prudence, with which the Company, had now, through many years of accumulated danger and distress, preserved the commercial privileges acquired by their own care for the nation in India. Nor does it much detract from this praise to affirm, that they hoped to reap very solid advantages from their constancy, in an ultimate triumph both at home and abroad. Without ascribing to them a romantic feeling of self-devotion, there will still be room for believing that regard for a system of commercial establishments which might be considered as of their own creation, and a consciousness of the conspicuous situation in which they had placed themselves in the eyes both of their own nation and of Europe, animated them to overcome difficulties through which they would hardly have been substained by unaided motives of interest. This sentiment both is natural in itself, and may be traced in the recorded account of the deliberations which took place during these times at the India-House.

On the reinstatement of the Company, they entered into a subscription for the term of seven years; the capital subscribed being £739,782 sterling, of which, yet, the sum actually taken up amounted only to one half, or £369,891. They commenced their operations, however, with great vigour; and, though their confidence soon experienced a considerable check in the death of their new patron, Cromwell, it was, on the restoration

of Charles the Second, entirely reassured by the munificent protection which they received from that monarch. Charles, by a charter dated the 3d of April, in the year 1661, not only granted them an ample confirmation of their former privileges, but conferred on them, within the limits of their trade, the power of making peace or war with any prince or people, not Christian;* of establishing fortifications, garrisons, or colonies; of exporting to their settlements ammunition and stores duty free; of seizing and sending to England, such British subjects as should be found trading in India without their licence; and of exercising in their settlements, through the medium of their governors and councils, both civil and criminal judicature, according to the laws of England. A clause of the same charter confirmed to the Company the island of St. Helena, which, having found it deserted by the Dutch, they had occupied ever since the year 1651,† as a convenient station for the refreshment of their homeward-bound vessels. It should be observed that the charter of Charles, like that of James the First, was declared revocable on a warning of three years, in the event of its proving not

* Not "the infidels in the Indies;" an expression which, having been used as a synonyme to this, in the Modern Universal History (and possibly also in some previous work), has since been copied by one author after another, as if it had been employed in the charter itself. The charter, indeed, which, as will afterwards appear, was granted by Charles the Second in 1613, contains the phrase "the said *heathen nations*."

† Ant. Comm. 1651.—Ann. Ind. Comp. 1668-9.—Brooke's History of St. Helena, ch. 2.

profitable to the Crown or to the nation. Throughout his reign, however, Charles exhibited towards the Company a friendship, steady although not active, which indeed from his character could not be expected.

Before an account is given of the progress of the renewed Indian trade, it will be convenient to present some view of the system or constitution into which the Indian establishment of the Company had now, for some years, moulded itself, and of which it still retains the outline. That constitution was, indeed, mutable, nor could it, in the nature of things, be otherwise. It must, in its application, alter with the shifting exigencies of commerce, and, even in point of principle, was liable to be progressively modified by experience. Yet its elementary form and main objects may be delineated; and the delineation, exhibited once for all, not only will assist the general ideas of the reader respecting the course of Indian transactions, but may preclude some wearisome repetition. In an earlier stage of the narrative, such a description neither was equally important, nor could well have been attempted, without the risk, in illustrating the subject, of more anticipation and anachronism than might have been agreeable.

The commercial stations occupied by the Company in the East-Indies were, according to the varying extent of their trade at various periods, distributed into three, four, five, or more divisions. Accident had its share in determining these divi-

sions; but, for the most part, they were assigned by obvious expediency, which dictated, that a continuous tract of coast, a cluster of islands, the opposite shores of a bay, two ports whose produce was easily interchangeable, or a region politically one, should respectively be placed, where no impediment appeared, under the same regulation. Such divisions, for example, were those of the Malay Islands, of the Coromandel Coast, of the portion of Persia on the gulf of Bussora, of Bengal.

In each of these divisions, there generally was established, either at some seaport or on some river of commodious navigation, a principal, or, as it might be called, a capital factory. The grounds for the selection of such a place, besides the opportunity of access by sea, were, its central position, the excellence of its markets, its security from hostile attack, the invitation or promised patronage of the native ruler within whose dominions it might lie, or a combination of as many of these advantages as the circumstances of the case allowed. The factory consisted of a number of buildings and offices; and, where the jealousy of the native potentate on whose territory it stood permitted, was fortified and garrisoned. Several servants of the Company, under one chief agent, were here stationed, and exercised a general superintendance over the commercial concerns of the Company throughout the whole division. Most of those concerns, however, were conducted immediately at the factory itself. Contracts were

formed by the agents with the native merchants, who, on receiving a certain advance of stock, obliged themselves, under pecuniary penalties, to deliver a given quantity of goods at a stipulated period. By this arrangement the Company were *invested* with a previous right in the goods for which they contracted; and hence their purchases in India have acquired the name of an *investment*.*

But, within the range over which the supervision of such a factory extended, there probably were many points where goods might be procured, and where, either on account of their distance, or for some local reason, it might be desirable that the purchases of the Company should be conducted immediately on the spot. To these points, agents were deputed from the principal factory; out of which, therefore, there grew, in this manner, a number of subordinate factories or agencies. These agencies were of various size and importance; in some cases, a single agent, with his native clerks and assistants; in others, an establishment, rivalling in magnitude that to which it was subject. Yet the agency maintained a constant correspondence with the capital factory, if that term may be used, and was guided in all its transactions by the orders thence transmitted. Instances of such principal factories with some of their subordinates are, Bantam with its dependencies, the smaller factories in the Archipelago; Madras, with its de-

* Orme's Hist, Book vi.

pendencies, Masulipatam, Madapollam, Pettipolee; Hughly, with its dependencies, Cossimbazar, Ballasore, Patna, Malda.

As the superior factories ramified downwards into subordinate establishments, so they were in their turn grouped together by numbers of two or three, and one of the number, under the name of a presidency, controuled the rest. Of these presidencies, the number, at any one time, was generally either two or three. The outward-bound vessels of the Company were usually consigned to the station of the presidency; from this station, also, they cleared out on their return; and though, where the case required, they took in a part of their lading at other ports, still they always acted under the supervision of the presidency. At times, what was generally called a presidency, took the denomination of an independent agency; a change, not necessarily implying any other reduction than that of the salaries bestowed on the agents. So much, if shewn by nothing else, would appear from this single fact, that, in the year 1680, the Company had no presidencies whatever, all their principal stations having been converted into agencies with a diminished establishment. It would seem, however, that, in some instances, independence was only lent, as it were, to a subordinate agency, during a limited term, and for a specified purpose.

The government, both of the presidencies, and, in general, of the superior factories subject to

them, resided in an agent and council, the number of the persons constituting the council not being determinate. At the same time, through the whole service, the progress of the servants in rank and salary was graduated according to the scale of seniority. Previously, however, to the year 1670, neither the system of the government, nor the graduation of the service, appears to have been regulated with much precision. The presidents, as well as the superior agents, were appointed, it would seem, by the Company at home; while all other appointments, even the nomination of the council, generally fell to the president himself, and were, not seldom, ill bestowed. The chiefs, also, at the out-stations, being members of the council at the superior factory, and, perhaps, having in prospect a succession to the government of that factory, frequently became inattentive to the proper concerns of their own departments. In the year alluded to, the Company adopted some provisions for the cure of these evils; which, in the course of the ten years ensuing, they followed up with various others. Of those provisions the most striking were, that the council should be chosen exclusively by the Court of Directors, or, as they were then called, of Committees; that the agents at the out-stations should not be removeable by the presidency, except for misconduct; that regular minutes of all public proceedings should be kept and transmitted to the authorities at home; that certain prescribed forms should be observed in

the correspondence with those authorities; and that a general gradation, according to seniority, should be established in the service, the scale, both of rank and of emolument, ascending through the successive classes of apprentices, writers, factors, merchants, and senior merchants, out of which last description of persons the council, at least that of the presidency, was, it may be presumed, usually selected.

The factors and other servants were interdicted, though the interdiction did not always prove effectual, from such commercial dealings on their private account, as might interfere with the purchases or sales of the Company. But beyond this limit the prohibition never appears to have extended. On the contrary, not only were the servants freely allowed to embark in the coasting or country trade of India, but the importation of some commodities of great value into Europe was left exclusively to their private speculations; the imports being made in the ships of the Company, on payment of a small acknowledgement for freight. Such commodities, in the year 1674 at least, were diamonds, bezoar-stones, pearls, ambergrease, and musk.* In 1680, the Company resumed the trade in diamonds; yet, even then, the servants were allowed a commission of five per cent. on the purchase of the article,

* Memorial relative to bullion exported by the East-India Company. Ann. Ind. Comp. 1674-5.

and also a proportion of the profit accruing on the sale in Europe.* It is impossible, indeed, to account for the smallness of the salaries in the service of the Company on any other principle, than that the perquisites subjoined to them were considerable. On the reduction, in 1680, of the presidency of Surat into an agency, the annual salary allotted to the chief agent was £300; to the second in council £80; to the other members of council in a declining progression, so that the lowest member had only £40; to the deputy governor of Bombay, the second person as to rank and authority in the service, £120.† Probably, a common table was at that time kept for the servants; but, with every allowance for this or other similar savings, and with an allowance also for the depreciation which money has since undergone in India as well as in Europe, the emoluments of the service would, from the scale given, appear most pitiful, unless we suppose that they were meant to be filled out by opportunities of private trade.

The presidencies co-existing at any given period were not always relatively equal. During the times more immediately under our review, Surat possessed a general controul over the settlements throughout India, although the precise nature of that controul it does not seem very easy to define. Towards the close of the century, the

* Ann. Ind. Comp. 1680-1. † Ibid. 1678-9.

chief authority, or what would now be called the supreme government, veered about from one presidency to another. At some seasons it was suspended altogether; at others, a supreme governor, in the nature of a dictator, was appointed over all the presidencies, under the denomination of President and Captain General; or Commissary General, Supervisor and Captain General.

Such was the general form and character of the establishment in the East-Indies. In elucidating the principles on which that establishment was founded, some violation of chronological order has been hazarded, and will, it is hoped, be forgiven by the reader. The principles in question could justly be collected, only from a comprehensive view of the modifications under which they were, at different points of time, reduced to practice. The narrative of the proceedings of the Company shall now be resumed, from the period of the charter of Charles the Second.

The humiliation which the Dutch had sustained from the arms of Cromwell, by no means repressed their encroachments in the East Indies, and least of all in the Archipelago. At the restoration of Charles the Second, they were engaged in war with the Portuguese; and, while Charles was mediating, in Europe, between the belligerents, the Dutch, in the East, seized the interval preceding pacification to attempt the expulsion of the Portuguese from Malabar. At that period, the trade of the British at Bantam required

to be fed with annual supplies of Malabar and Coromandel cloth. The Dutch, whose ambitious projects may be said to have purveyed to each other, availed themselves of their war against the Portuguese, to search and pillage English vessels bound for Bantam with cargoes of Malabar cloths, under the pretext that such vessels secreted Portuguese property. At the same time, not only did they monopolize some of the richest marts in the Archipelago, on supposititious claims of pre-occupancy, but others they secured by declaring them in a state of blockade. By the treaty with Cromwell, they had promised the restoration of Polaroon; a compliance with this engagement they long deferred by evasions frivolous or insulting;* and, when the stipulation was at length fulfilled in 1665, the island, instead of being rendered back, as the terms of the treaty enjoined, in its former state and condition, was found a desert; the spice-trees, for which it was celebrated, having been utterly destroyed. In the same year, the British, having obtained peaceable possession of Damm, an island near Banda, were almost immediately compelled to relinquish this acquisition by an armed Dutch force, on the fabricated plea of a prior right. The same year also produced a war between England and Holland; but with no advantage to the British interests in the East. A

* Reply of Sir George Downing (ambassador from Charles the Second) to the remarks of the Deputies of the States on his Memorial of December 20th, O. S. 1664.

state of warfare only sanctioned the Batavian oppressions while it lasted; and peace brought no security against their recurrence. The war, indeed, had scarcely broken out, when the Dutch recovered the possession which they had so lately ceded; and the effect of the pacification of Breda, which took place in 1667, was worse than negative; for, no mention being made of Polaroon in the treaty, the British claim to the island was understood as withdrawn.

Yet, thus harassed and overpowered, the English Company were by no means idle, even in the Eastern India. On the contrary, the pressure which they suffered stimulated them to new exertions. By the orders of the Company, the factors at Bantam made laborious and unremitting efforts to plant establishments on the shores or islands of the seas of China and Japan. Experiments to this effect took place in Siam, in Cambodia, in Tonquin, at Tywan in Formosa, at Nagasaki in Japan, at Macao in China. These endeavours so far succeeded that factories, small, and with little promise of future increase, were settled at Tywan and in Tonquin; but, in the other countries attempted, the experiment failed. The character of the natives in those countries was either savage, or cold and suspicious; yet the obstacles which this circumstance presented might have been surmounted, had it not been that the most practicable approaches were every where occupied and guarded by rival

Europeans; chiefly by the Dutch. That people, indeed, asserted an exclusive right of trade in the kingdoms of Siam and Cambodia; and, in Japan, where they enjoyed a bare toleration, they effectually prejudiced the minds of the government, by describing the English as a nation in close connexion with the Portuguese, whom the Japanese held in dislike. Their representations on this head derived some real weight from the circumstance of the recent marriage of Charles the Second with the Infanta of Portugal; but, in the opinion of the natives, still more colour from the cross on the Britannic flag, which was by them considered as the symbol of the Portuguese faith. At Macao, in the mean time, the Portuguese themselves were strongly established, and resisted the entrance of British rivalry. Thus baffled, the Company still reiterated their enterprises; and, as will afterwards appear, their perseverance was at length rewarded with success. It may not, however, be unworthy of mention that, about the period now in question, tea, imported, not directly from China, but from Bantam, began to form an article in their investments. From entries, indeed, in their records, it appears that, both in 1664 and in 1666, "thea" was one of the "raretyes" provided by their secretary as presents to the king.* In those instances, the

* Minutes of Court of Committees, quoted in an unpublished Compendium of East-India Affairs, drawn up by Mr. Wissett, the principal clerk of the Company's warehouses.

article had probably been brought home accidentally and on private account. But, in the season of 1667-8, the Company desire their agent at Bantam to send "100lb. waight of the best tey "that he could gett."*

In 1672, war again broke out between England and Holland. This war was commenced on the part of the king of England; who partly justified his resort to hostilities on the ground of the grievances which his subjects had sustained from the Dutch in India. If such was his real motive, the object of the war was scarcely answered. On the conclusion of peace, indeed, in 1674, commissioners were nominated by the two nations, for the purpose of adjusting their respective claims in the East-Indies; and those commissioners met and conferred together; but it does not appear that their conferences terminated in any effective proceeding. In the interim, the Dutch did not neglect to improve the opportunity furnished to them by the war, of aggravating the very injuries which they were called upon to expiate. But a farther recital of those injuries would only prove tedious; and, leaving for a while the commerce of Bantam and its dependencies, it will be proper to consider what was now passing in the other two principal divisions of the Indo-British establishments.

The Mogul court, while it freely conferred on foreigners resident within its dominions the pri-

* Ann. Ind. Com.

vileges of commerce, yet denied them the exercise of civil jurisdiction, and restrained them from the assumption of military strength; thus reserving the rights of the sceptre and the sword, as indiscerptible members of its own sovereignty. Such European fortresses, indeed, as, having been established on the soil of other Indian princes, the extension of the Mogul conquests might draw within the borders of the empire, were tolerated; but no foreigner might, on the imperial territory, erect anew even a single bastion.* The British factory in Surat was strongly built; it seems also to have been furnished with a trifling guard, and the British merchants attached to it were allowed to wear arms; yet the edifice was not, in any proper sense, either fortified or garrisoned. At the same time, the political authority possessed by the British, the walls of the factory entirely circumscribed. Even over the native menials in their employ, they had no power, beyond that degree of superiority which, under a despotic government, every man of station is accustomed to exercise over those below him, as if by the mere effect of the pressure which he sustains from the gravitation of his own superiors.

Thus circumstanced, the British interests laboured under a two-fold danger of violence. Excepting in flight or submission, the factors had scarcely any refuge, either against the authorized tyranny of a governor, or the armed rapacity of

* Orme's Ind. B. vi.

an invading enemy. Perhaps, however, their indirect and eventual insecurity was greater than that which immediately affected their persons or possessions. Were the factory itself respected by the oppressor or the ravager, still the native merchants with whom the residents transacted their commercial affairs, the goods for which they had contracted, and the markets from which they drew their current supplies, probably remained in the town defenseless. These scattered interests, the possession and complete command of the town could alone have enabled them to shelter.

The description which has been given, applies, not merely to the factory of Surat, but also to the agencies which were dependent on that station within the empire. All these were, in a considerable degree, at the mercy of the natives; though, in the case of Surat, the danger, both from the importance of the factory and the immense opulence of the town, was incomparably more serious.

The British residents about Surat had, at all times, been more or less harrassed by capricious or arbitrary treatment on the part of the Mogul officers; and to this was now added a worse evil. The empire, although at its zenith of strength and splendour under Aurungzebe, was yet committed in a series of vexatious conflicts, not only with the independent princes of the peninsula, but much more doubtfully with the Mahratta adventurer, Sevajee. The settlements immediately at-

tached to Surat, happened to be exactly placed on the debateable ground between the Mogul and the Mahratta powers. In whatever manner, therefore, those settlements might have been fenced and guarded, their welfare could not remain unimpaired, while the neighbouring country suffered under the marches of opposing armies, and particularly under the merciless trample of the Mahratta horse. But they were, besides, unprotected, and were situated in towns or cities which, as being the possessions of the emperor, directly invited the hostility of the Mahrattas. Sevajee, indeed, usually exercised a tolerable moderation towards the European establishments within the area of his ravages; but he shewed no lenity to the towns in which they were erected. In 1664, this vigorous ruffian, with four thousand cavalry, surprised Surat. The governor of the town shut himself up in the castle; the Dutch and English in their respective factories; and it is said that the gallantry which the English, under their president Sir George Oxinden, exhibited on the occasion, procured them, when reported to Aurungzebe, the signal favour of that monarch. The Europeans, however, probably owed their safety to the forbearance of Sevajee, who would be content with plundering the town, unopposed, of a booty valued at a million sterling. In the year 1669, he repeated this destructive enterprise, nearly under the same circumstances and with the same results. It was oftener threatened, however, and still oftener ap-

prehended. It belonged to the characteristic policy of Sevajee, that his movements were not more decisive in their effect than, in appearance, they were eccentric and irreducible to rule; and his enemies were, therefore, on the whole, still more injured by his demonstrations and alarms, than by his actual approaches.*

Under the calamities which have been described, the British fortunes at Surat might soon have declined, had they not gained an unexpected relief. In the year 1668, King Charles the Second ceded to the Company the island of Bombay, which he had received at his marriage with Catherine, the infanta of Portugal, as a part of the portion of that princess. Extraordinary privileges were annexed to the grant. The Company were allowed to legislate for their new possession, and to exercise, through the medium of their local officers, both civil and criminal jurisdiction; it being enjoined, however, that the laws and proceedings adopted in pursuance of this licence should be consonant with reason, and, *as near as might be*, agreeable to the practice of England. They were also privileged to maintain their authority by force of arms, against all foes, domestic or foreign; and, for this purpose, the local governor might, in cases of invasion or mutiny, resort to martial law. The charter prospectively invested the Company with the same powers and liberties in all other

* See the accounts of Sevajee, passim.

possessions and territories which they might, at any future period, lawfully acquire.

This acquisition was precisely such an one as the Company and their servants at Surat had long desired. It was not only an independent, but an insular possession; and within a sail of two hundred miles from Surat; a very practicable distance, considered with respect to the vast range occupied by the Indo-British establishments. At the same time, the Company were both encouraged and enabled to improve the grant, by the full powers with which it was accompanied. To this end, the most vigorous measures were instantly adopted. The fortifications of the station were diligently enlarged and strengthened. Every encouragement was held out, both to English and native settlers, and, among the latter, particularly to those of the manufacturing class. More especially, a remission of customs was proclaimed for five years, looms were provided, houses were built, a perfect toleration was established, and an exact system of justice framed. The settlement grew rapidly, in strength, in wealth, and in a population formed from a motley assemblage of the most various races and sects. When the cession took place, the ordnance of the garrison amounted to twenty-one pieces of cannon. In 1673-4, that is, about six years afterwards, that number had been augmented to one hundred. At the time of the cession, the annual revenues of the island, comprising customs, were estimated at £6,490 sterling. In 1675-6, al-

though the customs then levied were remarkably moderate, the revenues were computed at £12,037 sterling, or had nearly doubled.* Notwithstanding, however, the increasing importance of the settlement, it still remained subject to the established station of Surat; although, so early as the year 1671, the question appears to have been started, whether the seat of the presidency might not, with advantage, be transferred to Bombay.†

Under the protection, or in the vicinity, of a secure asylum, the British attached to the establishment of Surat commanded greater respect both from the Mogul officers and from the Mahrattas. The advancing greatness of Sevajee, however, made it expedient for all the Europeans within the reach of his armies, to conciliate his favour. The British, among others, repeatedly treated with him; and, on his solemn enthronement, in 1764, as rajah, or king, a British envoy from Bombay was present;‡ nor does it appear that these proceedings, dictated by the plainest prudence, gave umbrage to the court of Delhi. Thus did the interests of the Company on the side of Surat support themselves; and this, although they suffered partial injuries from the Dutch; particularly, on the Malabar coast, during the wars of 1665 and 1672. It should be remarked, however, that, in the in-

* See Ann. Ind. Com.

† Ibid.

‡ Hist. Fragm. Ann. Ind. Comp. and other accounts of Sevajee.

terim, that division of the dependencies of Surat which was situated in Persia, daily declined in prosperity; partly from the oppressive conduct of the Persian government, and in part from the distractions by which the kingdom in general was agitated.

But it is time to cast our eyes on the transactions of the division of factories dependent on Madras. Of the stations in Coromandel, Madras itself was, beyond comparison, the most conspicuous; fulfilling, in wealth and magnitude, the promise which it had afforded at the beginning. Yet this settlement participated, together with its dependencies on the coast, in the difficulties that had almost overwhelmed the British trade in other parts of India; war, tyranny, and the malignity of rivals. The sovereign, within whose dominion Madras originally stood, bore the title of King of Bisnagur,* although he might more properly have been styled King of Khandegeri.† About the year 1656, this dominion was conquered by Meer Jumla, the general of the king of Golconda, but better known afterwards as the ablest officer in the service of Aurungzebe. Meer Jumla, however, confirmed the privileges enjoyed by the settlement of Madras; and, in the years 1674 and 1676, the king of Golconda considerably enlarged those privi-

* So the word is commonly written. Colonel Wilks writes it, and probably with propriety, *Vijeyanuggur*. Historical Sketches of the South of India, page 13.

† Hist, Fragm. Rennell's Memoir, § 5.

leges, permitting the Madras government to build ships at any point on the coast where his authority extended, and strictly prohibiting all molestation of the British commerce on the part of the royal officers.* Notwithstanding these liberal grants, the deputy rulers of the districts, both about Madras and at the subordinate factories, occasionally demanded of the British, contributions under the appellation of presents. Madras, however, from its strength, less feared these exactions; and, in one instance, even sustained a siege from the local chief, until it could procure the interposition of the superior government.†

In 1672, a French force, commanded by M. de la Haye, landed at San Thomé, a seaport contiguous to Madras, formerly possessed by the Portuguese, although then belonging to the king of Golconda, and carried it by assault. War, however, breaking out, in the same year, as has already been stated, between Holland on the one side, and France, allied with England, on the other, a powerful Dutch armament, assisted by the armies of Golconda, invested San Thomé by sea and land. After a defense, of which the skill and obstinacy reflect high credit on the French commander and his garrison, the town was reduced in September 1764; but the king of Gol-

* Account of the first settlement at Fort St. George; in the Indian Register Office.

† Ann. Ind. Comp. 1669-70.

conda insisted on retaining the conquest. Nothing else than the conclusion of peace in the same year, prevented the Dutch from next laying siege to Madras.* The occurrence related, however, is principally memorable as noting, not only the first appearance of the French on the coast of Coromandel, but the origin of their power in that quarter; for, from the wreck of their establishment at San Thomé, was formed the celebrated settlement of Pondicherry.

To the pressure of the Dutch war succeeded, in 1677, the commotions produced by the irruption of Sevajee into the Carnatic; on which occasion, the whole Mahratta force passed within fifteen miles of Madras.. Yet, in spite of these and many other difficulties, the settlement singularly prospered; and the fundamental causes of its prosperity were undoubtedly those advantages in the position and circumstances of the town, which had originally pointed it out to the selecting observation of the Company: but such causes would have produced comparatively little effect, had not both the Directors of the Company, and the members of the factory, nurtured the growing establishment with equal attention and prudence. The expedients adopted for this purpose, were analogous to the policy which was before described as having been pursued in the instance of Bombay. In the present case, however, the

* Hist. Fragm. Ann. Comp.

measures which were taken seem of a nature, if possible, still more effective. A remission of customs was proclaimed for thirty years; and, with what zeal the factory applied themselves to the encouragement of settlers, may appear from the following anecdote. In 1661, the presidency of Surat censured the agency of Madras for continuing their protection to two or three Capuchin friars who were Frenchmen. The agency replied that the friars were protected, because their presence at the station would attract the resort of Portuguese settlers from San Thomé, an example, which numbers of the natives might be expected to follow.* The recorded increase of the population of Madras may not, after the account given, seem altogether astonishing. When the Company acquired the town, it was poor and inconsiderable. In the year 1687-8, as we learn from Mr. Bruce, "the population of the city of Madras, town of "Fort St. George, and villages within the Com-"pany's bounds," was computed at three hundred thousand persons. Allowances made for exaggeration, the increase is still immense.†

From all that appears, the settlements exclusively governed by Europeans in India, and especially those placed under English authority, exhi-

* Hist. Fragm. n. 44.

† Note in Ann. Ind. Comp. Mr. Orme reckons the population of Madras and its environs, in 1746, only at 250,000. Hist. Ind. B. i.

bited, even in the early times under review, a form and appearance which, in Hindostan, must have been contemplated as a phenomenon. Enjoying the united benefit of equal laws and an active commerce, those settlements afforded a spectacle of general comfort and diffused affluence, to which, probably, even the metropolitan cities of the native despotisms could furnish no parallel. From this consideration may be explained the idea, which the princes of India seem commonly to have entertained, that the European factories contained immense hoards of jewels and treasure; an idea, which, in Bengal, afterwards produced, as will be seen, the most important consequences. Possessed with those barbarous notions respecting wealth, that naturally prevail under an arbitrary constitution of government, the persons in question could little comprehend the nature of an opulence which is the creature of confidence and liberty. They mistook the riches which human skill and industry had scattered over the surface of the earth, for mere natural *out-breaks*, as it were, of metallic veins concealed below.

The settlements in Bengal, although at first considerably distanced by that of Madras, soon began to advance with a proportionate rapidity. The Company could not, indeed, in Bengal, obtain permission, either to construct fortifications, or to exercise justice over the natives resident within their boundaries; for Bengal was a pro-

vince of the Mogul empire. Yet the Bengal factories were, in some respects, very favourably circumstanced. The province was remote from the principal theatre of the wars that disturbed the empire. Its commodities were highly esteemed in England; particularly its saltpetre, and its silks whether raw or wrought; the English market not having as yet been denied to the wrought produce of the East-Indies. As Bengal, at the same time, consumed few English goods, the trade was chiefly driven through exports of bullion; and the Nabobs, highly favouring the influx of treasure into their province, were cautious of disgusting the traders to whom that influx was owing. The Company also, on their part, encouraged the Bengal trade with assiduity. They were minute in their directions to the agents. They sent out skilful dyers, to prepare the silks for the British market. They instituted an efficient system of pilotage in the Ganges, between the mouth of the river and their principal factory of Hughly, which, from the shifting of the sands in the river, the Indiamen could not approach; in order that the trans-shipping and intermediate carriage of their goods might be conducted with the least possible loss and inconvenience. At what rate the European commerce of Bengal increased with these assistances, may be roughly calculated from the comparative amounts of stock which, in the years under-mentioned, the Company sent to the

Hughly agency, to be employed chiefly in the provision of investments.

In 1674-75	£65,000
1675-76	67,000
1676-77	72,300
1677-78	100,000
1678-79	106,500
1679-80	110,000
1680-81	150,000
1681-82	230,000*

In the last of the years enumerated, the Court constituted Bengal, which had previously been subordinate to Madras, an independent agency. In the ensuing year, they adopted the plan of annually dispatching to the agency a "double "stock," that is, funds to provide investments both for the current season and for the season following; by which arrangement, the commodities ordered were procured at the cheapest rates, and the ships suffered no unnecessary delay in the ports of the Ganges. Before the establishment of this system, however, the agency had been empowered to take up, as they found occasion, large sums of money on credit; a practice, in which appears to have originated the bond-debt of the Company, now augmented, by the operation of time and circumstances, to thirty millions sterling.†

* See Ann. Ind. Comp. in the years mentioned.

† See Ann. Ind. Comp. in the years mentioned.

From the details given, it may appear that, for a considerable period after the re-establishment of the Company, their affairs were in a progressive state. If we make our stand about the year 1675, we shall find that, having been for fifteen years engaged in the unabated prosecution of their object (for, on the expiration of the original term of seven years, the subscribers had, without any change, renewed the concern), they had greatly extended both the commerce and the consequence of the nation. To wind up the representation which has been set before the reader, it may be pertinent to exhibit, in an abridged form, a statement of the Company's trade, published in 1677, and understood to be demi-official. According to this account, they employed, in their intercourse with India, from thirty to thirty-five ships, of a burden from three hundred to six hundred tons. Of these ships, there had been built, in the previous seven years, from twenty-six to twenty-eight, each between three hundred and fifty and six hundred tons in burden, and capable of carrying from forty to seventy guns. The value of the exports of the Company, in the year 1674-75, might be reckoned, in bullion, £320,000; in cloth and other goods, £110,000. Of their imports, which were principally made in callicoes, pepper, saltpetre, indigo, raw silk, wrought silk, and drugs, the sale prices in England annually amounted to at least £860,000. This return, however, was to cover, besides the proper ex-

penses of the adventure, a large sum for customs, and about £60,000 of charges in India, for the maintenance of factories and garrisons, and the support of negotiations with the native princes. In the private trade conceded to their officers, mariners, and factors, the annual exports were estimated at forty or fifty thousand pounds, half of this being bullion, and the returns at two hundred and fifty or three hundred thousand. The home-consumption of Indian commodities, imported on the joint account, they set between £200,000 and £240,000, of which the value of £160,000 was in callicoes, £30,000 in silks, £30,000 in saltpetre, and the rest in pepper, indigo, and drugs. The expenses which the subsisting joint stock had incurred in the acquisition and establishment of privileges and factories, might perhaps be £300,000. The account of the Company at the same time states that the price of their stock, which, in 1665, had fallen to 70 per cent., was now advanced to 245. Encouraged by the situation of their affairs, the association, in 1676, appropriated a great part of their recent profits to the duplication of their capital, which was thus raised to £739,782. 10*s.** Soon afterwards, they received a fresh mark of the royal favour; for Charles, in 1677, granted them a confirmatory charter; which, besides conferring on them an indemnity for all past misuse of their

* Anderson's Commerce, ann. 1676-77.

privileges, empowered them to establish a mint at Bombay, for the coining of any money not current in England or its dependencies out of India.

But this prosperity had already reached its stationary point; and, immediately afterwards, began to fall back apace; nor would it be easy to find many completer exemplifications of a decline of promising fortune than that which is exhibited in the history of the Company during the ten or twelve ensuing years. Their misfortunes were, in no small measure, owing to the farther accumulation of those adverse circumstances against which they had hitherto striven with effect; but derived, at the same time, considerable aggravation from difficulties of a new description.

To what a state of depression the trade of Bantam had been reduced, has already been shewn. The peace with the Dutch in 1674 afforded at least a transient relief to the factories in this quarter; when, in 1677, the principal agents in the settlement of Bantam itself were assassinated by some of the natives; on what ground, or by what, if any, instigation, does not appear. Yet the Company, though disheartened by this event, persevered in their commercial enterprises. They established factories at Siam, and at Amoy on the coast of China. They exerted themselves likewise to improve their connexion with Bantam; and, it would appear, not without effect; for, in 1680-81, some ambassadors from that state ar-

rived in England. In the year following, however, Bantam became the scene of a civil war between two rival kings, a father and a son; and the latter, proving, by the assistance of the Dutch, victorious, expelled the English from their factory. But the victory of the Bantamese prince was not so complete as that of his European allies, who seized the occasion of the services which they had rendered him, to assume and to establish a despotic influence over his counsels; and this influence was ever afterwards employed in perpetuating the exclusion of the English from the Bantamese territory. Thus was lost the earliest commercial establishment of any importance, that had been erected by the English in the Eastern Ocean, with all the vast sums, both principal and interest, which had been expended on it. At the same time, the whole system of settlements, of which this had formed the centre, was, for the time, disorganized; and the Dutch acquired a new fortress, from which they might sally forth on their schemes of commercial depredation.

Meanwhile, the unremitting war between the Emperor and the Mahrattas weighed heavily on the factories of Surat and Bombay. Both the belligerents had fleets of gallivats on the coast; and these repeatedly skirmished, not only within the view, but in the very harbour, of Bombay. By the mere violence of the conflict, in the centre of which the island was placed, the factory

was occasionally driven into hostilities with each party. Surat fared yet more severely, the Mahrattas perpetrating their licentious ravages up to the gates, while, on the other hand, the general confusion of affairs facilitated the exactions of the government.*

The affairs of Bengal also drooped; and this, from the very consequence of their former success. The settlements in that province were, as has been shewn, peculiarly open to oppression; but, though so early as in the year 1659, the agent and council at Hughly are found complaining of arbitrary conduct on the part of the Nabob,† yet, while the settlements were in an immature state, they suffered but a measured persecution. When, however, the British had erected costly dwellings and spacious warehouses, had collected stores, had accumulated goods, and had given large credits among the merchants of the province, their retreat appeared to be cut off; and the native rulers proceeded to exert an unchecked tyranny on victims whom they regarded as not merely defenseless, but bound. They disavowed, therefore, or explained away, the patents of immunity which the Company had received from the imperial court. They affected to arbitrate beween the British and the natives in the British employ, selling, however, justice to the former at an exorbitantly dear rate. On every conceivable

* Historical Fragments. † Ann. Comp.

pretext, they exerted a cognizance over the affairs of the settlements, in order to multiply their own opportunities of extortion. If, in any instance, a compliance with their demands was refused, an interdict was forthwith laid on the British trade throughout the province.*

With the misfortunes springing from the sources just enumerated, a new evil concurred. The interlopers, as they were called, or private traders, after a long season of quiescence, began, and in some numbers, to resume their encroachments on the commercial limits of the Company.

The perseverance of these persons for a course of years, in opposition to the experience, extensive capital, and chartered power, of the Company, is cited by some as a clear proof of the superior alertness and efficiency of free trade. Others may be led to sympathize with the free traders, as, in a certain degree, an oppressed party. But the interloping associations seem to have been generally aided, if not set on foot, by ex-servants of the Company, who had been dismissed for misconduct; men, certainly, not intitled to peculiar sympathy, and whose knowledge, at the same time, was derived from the lights furnished by the Company themselves. They were opposing, also, at little other than the ordinary expenses of commerce, a trade clogged with heavy political charges; for, although com-

* Orme's Indost. Book VI.

pelled to conciliate the native rulers by means of presents, in which indeed they attempted to outbid the Company, they were not, like the Company, burdened with the maintenance of forts and troops. With respect to the chartered power of the Company, it was not then regarded as very formidable. "The charters and acts of parlia-"ment (observes Mr. Orme) had not given them "distinctly, although intended, the privilege of "exclusive trade; and the spirit of commerce, "which sees its drifts with eagle's eyes, formed "associations at the risk of trying the conse-"quence at law, being safe at the outset and "during the voyage, since the statutes did not "authorize the Company to stop or seize the "ships of these adventurers, whom they called "interlopers."*

Had the interlopers confined themselves to an opposition purely mercantile, the Company needed not, perhaps, after all, to have dreaded their enmity. In many instances, however, those adventurers made use of very different weapons. Sometimes, being vagabond servants of the Company, they were deeply in the Company's debt; sometimes, by insinuating themselves into the favour of the native princes, they procured the means of subjecting the trade of the Company to grievances and their property to depredation or seizure. Both the characters described seem to

* Historical Fragments.

have met in a Mr. Phaulkon, often called Lord Phaulkon, who, having, by his address, raised himself from a pedestrian condition in the service of the Company to the highest offices at the court of Siam, exerted, and but too successfully, the power which he had thus acquired, in destroying the Siamese commerce of the Company altogether. The agency of the interlopers was still more perniciously employed in an occurrence which took place towards the close of the year 1683, and which was of the most serious detriment to the British concerns in India. The settlement of Bombay, affecting disgust at some retrenchments which the Court of Committees had instituted in the establishment at that place, rebelled against the authority of the Company, and did not resume obedience for the space of eleven months. That the rebels were in close connexion, all this while, with the interlopers, is a matter of incontrovertible history; and there seems every reason to believe that, with those persons, the transaction had originally been concerted.* Nearly at the same time, an insurrection broke out in the island of St. Helena; and this affair also, the Company ascribed to the malignant activity of the unlicenced traders; but with what justice, the means are not at hand for determining.

* See Hist. Fragm., Ann. Ind. Comp., and a multitude of tracts published on this subject at the time.

In encountering the embarrassments and perils which have been detailed, the Company discovered great vigour and decision. Their affairs at this period were administered principally by the brothers, Sir Josiah and Sir John Child; of whom the former, well known for his writings on commercial subjects, was the leading member of the Court of Committees, and the latter possessed a situation tantamount to what is now the government general of the British settlements in India. The facts which have been stated, will explain, if they do not justify, the policy adopted by these brothers; a policy, which rendered them the objects of the most violent contemporary invective. Its outlines were; first, the enlargement, and the strenuous assertion, of the authority of the Company over British subjects within the limits of their charter; secondly, retaliation, by force of arms, on the Indian princes who had oppressed their settlements, and a daring attempt at the attainment of political strength and dominion in the East.

Sir Josiah Child had imbibed a profound respect for the principles proceeded upon in the commercial economy of Holland. Not only are his writings every where saturated with this sentiment,*

* One instance will suffice, though savouring of an exception. "Some have told me, that I on all occasions magnify the Dutch "policy in relation to their trade; and the Dutch have no Act "of Navigation, and therefore they are certainly not always in "the right, as to the understanding of their true interest in "trade,

but it gives a decided tone to all the language held by the Company during his administration, whether in their recorded correspondence, or in their published defenses. From the correspondence and the defenses in question, it farther appears that the measures which, under the directions of Child, the Company adopted, were studiously modelled after the system of those whom they repeatedly style "the wise Dutch." In effect, at a time when the depressed state of the British in India presented a lamentable contrast to the eminence of their Dutch neighbours, it was not unnatural for the British Company to enquire what had been the great secret of the Indo-Batavian policy, or to adopt that secret when ascertained.

Notwithstanding the commercial spirit of the inhabitants of Holland in general, and the extent of the establishments which the Dutch India Company had formed in the East-Indies, that Company suffered little, if at all, either from the unlicenced rivalry of their countrymen, or from the apostacy of their servants. Their exemption from these evils, Sir Josiah Child attributed to the absolute authority exercised in the East, either immediately by themselves, or by their local re-

" trade, or else we are in the wrong in this. I answer, I am " yet to be informed where the Dutch have missed their proper " interest in trade; but that which is fit for one nation to do " in relation to their trade, is not fit for all."—New Discourse of Trade, chap. iv.

presentatives; and, not reflecting that a republic, however free within, is always tyrannical without, conceived the adoption of such a colonial policy by republicans to be a conclusive argument in its favour.* He had, however, too much of feeling, or of good sense, to be consistent in the application of this precedent. By the Dutch laws in India, an interloper or deserter was liable to capital punishment. Child aimed, in the case of interlopers, at little beyond a strict execution of the powers already vested in the Company by the somewhat questionable authority of their charters.

His ideas respecting the plan of foreign relations fittest to be pursued by the Company, were derived from the same source. While the Indo-British interests dragged on a dubious existence under the wanton or the deliberate insolence of the native authorities, the Dutch had, in many parts at least of India, fortified themselves against similar grievances, by the acquisition of political independence. Nor had they achieved this greatness by chance, but on system. "The wise Dutch" (he observes) "in all their general advices which we "have seen, write ten paragraphs concerning "their government, their civil and military poli- "cy, warfare, and the increase of their reve- "nue, for one paragraph they write concerning

* Answer of the E. I. Company to two papers of Mr. White. (undoubtedly written by Child) 1689.

"trade."* On these principles, Child projected a vindication of the privileges of the Company in India by force of arms; particularly in Bengal, at Surat, and at Siam. The attempt seemed arduous, but was not therefore hopeless; for he knew that native princes of considerable repute, the kings of Macassar and Bantam, and the emperor of Java, had in vain opposed their military force to the European vigour of the Dutch. The emperor of the Moguls, indeed, incomparably exceeded those princes in wealth and power; yet, in opposing this monarch, the Company might calculate on the aid of a most efficient ally. The genius of Sevajee, availing itself of the resources supplied by his native mountains, had for twenty years held at defiance the whole strength of the empire; and, on the death of Sevajee in 1680, the post which he had filled was worthily occupied by his son Sambajee, his equal in heroism and little his inferior in talents. Thus a balance of power seemed created in Hindostan, of which some of the principal settlements were so situated as exactly to take advantage. On the whole, it may appear that the warlike project of Sir Josiah Child, though sufficiently ambitious and magnificent, was by no means of the extravagance which has sometimes been supposed.

* Dispatch from the Court of Committees in Ann. Comp. 1689-90: written, there seems good reason for believing, by Child; and about six years after the time treated of in the text.

Unhappily, however, the event did not altogether verify these calculations. The Mahratta power, destined as it was to ultimate ascendancy, was yet perpetually suffering reverses of fortune, far beyond the endurance of the utmost strength of the Company; and, though Sir John Child, on whom the execution of the project chiefly lay, seems to have wanted neither energy nor prudence, it would appear that he was but indifferently seconded. In Bengal, where the design was to gain possession of the city and territory of Chittagong,* hostilities were prematurely commenced; and the British troops, though their onset in the field was always found irresistible, yet, reduced by slaughter and disease to a hundred men, were at length besieged in their camp by an army of thirteen thousand. On the side of Surat, considerable advantage was at first gained by the capture of a number of Moorish vessels, richly freighted. According to the writers of that day in the interloping interest, the advantage in question was purchased at the expense of a flagrant breach of faith; but this allegation the Company peremptorily denied. The success, however, proved transient; for the effort could not be followed up; and the overwhelming victories of Aurungzebe over the Mahrattas, who, with their gallant leader, seemed now reduced to the brink of destruction, completed the hopelessness of the pros-

* See Annals of the Company, and Orme's History.

pect. Sir John Child, therefore, applied to the Mogul for peace, which was granted in February 1690. The terms were certainly humiliating to the English, although not in so great a degree as has been represented. The style of the imperial phirmaun, or treaty, is lofty, but, considering the characteristic pomposity and assumption of Eastern courts, ought to be construed with much abatement. We shall lay little stress on the declaration of the most illustrious of the Mogul monarchs, that he *mercifully forgives* a comparatively petty European factory for their *shameful behaviour*, when we recollect that, in our own day, the king of Ava, in forming relations of amity with the British nation, intimated his sentiments to the governor general of Bengal by declaring that, as the British ambassador "had arrived under the "golden soles of the royal feet," his Majesty, who was "lord of the present life," and "possessed of the eight prerogatives of an angel," was pleased to "take into his protection the English nation, both of Bengal and Europe, in "the same manner as he extended that protection "to the countries of Assam, China, Ceylon, and "Kio Cossè."*

Hostilities had scarcely commenced against the Siamese, when a revolution among that people removed the enemies of the Company from court,

* Letter of the four chief ministers of Ava to Lord Wellesley. M. S.

and a pacification took place. But, although, in this respect, the martial designs of the Company were not brought to the test of experiment, the issue of the Mogul war threw a general discredit over those designs. In the other capital principle, meanwhile, of his policy, Sir Josiah Child was more successful. Charles II., by new letters patent, dated the 9th of August 1683, confirmed the privileges with which he had before enriched the Company. Martial law he had already empowered them to use in Bombay and Saint Helena; and he had granted that, whatever rights they possessed in the former of their possessions, they might assume in all the ports, islands, territories, and places, which they should, at any future time, purchase or lawfully acquire. The new Charter more definitely and decisively conferred on them the same authority; for it permitted to them the exercise, on important occasions, of martial law, in all "their forts, factories, and plantations." By the same Charter, a court of admiralty was erected in the East-Indies, which should sit at Bombay, and decide on all cases respecting interlopers. The grant in question farther accorded to the Company, in express terms, what hitherto they seem to have possessed only by implication, the power of levying such troops as might be requisite for the defense of their settlements against foreign invasion or domestic insurrection. About eighteen months after the concession of these favors, the king died, and was succeeded by

James II., who not only confirmed but enlarged them, authorizing the Company to coin money in all their forts, and to exercise martial law, as well on board their ships at sea as in their settlements on shore.* James also empowered them to appoint Sir John Child Captain General and Admiral of all their forces by sea and land, in the northern parts of India, from Cape Comorin to the Gulf of Persia. To the rank thus conferred on Child, the Company themselves annexed the general controul of their settlements, wherever situated, in India; and that officer exercised strictly, though it does not appear that he exceeded, the powers with which, as the plenary representative of the Company, he was armed against the interlopers.

It was, in that day, no uncommon theme of reproach against the Company, that they were accustomed to furnish with large presents of gold, the monarchs Charles and James. How far such a practice might be allowable under the sway of governments whose justice was as venal as their favour, it is not intended here to discuss; but the

* In Dodsley's History of the East-Indies, James II. is represented as the first sovereign who allowed the Company to build fortresses, levy troops, coin money, and hold courts martial. The representation has been implicitly copied by several subsequent authors of respectability; while the truth is, as may appear from the text, that the substance of all the privileges in question had previously been bestowed on the Company by Charles II. This is one of the numberless errors which are propagated by the indolence of successive writers, in the face of documents universally accessible.

Company appear to have avowed the practice, and to have vindicated it mainly on the ground that the presents in question had been paid into the exchequer for the public service.*

Their opponents found a farther subject of crimination in the decisive and perhaps rigorous exercise of authority, instigated by Sir Josiah Child, and practiced by his instruments in India. The topic has frequently since been urged; and much, in particular, has been said of a letter in which, as it is pretended, Child desires that the judicial officers of the Company will shape their decisions entirely by the orders of him, their superior, and designates the laws of England as "a heap of nonsense." Such an opinion is too monstrous not to be picturesque in citation; and, accordingly, the words in question have been retailed by one historian after another, without any doubt of their genuineness, or any enquiry into their bearing and context. To accept the anecdote on the assertion of professed and bitter enemies of the Company (and from such persons it comes) would be too preposterous; but the probability is, that Child had, in the letter referred to, meant to express sentiments analagous with those which appear in a dispatch addressed by the Company, about the year 1678, to the government of Saint Helena. The governor and council are, in this paper, advised not to have their "heads troubled "with nice points of the common law of Eng-

* Company's published Reply to *the thirteen Articles,* 1693.

"land, but rather, on considering the reason of "things, to adjudge of all cases in a summary "way, according to equity and a good conscience, "without tedious delays, or countenancing liti- "gious persons in their vexatious prosecutions."* In practice, such a rule is perhaps unsafe; for summary justice too often degenerates into summary injustice; yet, that the artificial jurisprudence of a numerous and highly refined people would scarcely suit a small community in a simple and almost elementary state, is a position which, as a political principle, will abide the test of the most scientific examination. It may be proper to add, that the directions cited from the dispatch of the Committees were in harmony with the Charters of the Company; which had empowered them, in St. Helena as well as in Bombay, to frame and execute laws conformable to reason, and, "*as near as might be*," agreeable to the constitution of England. After all, the single ground on which, apparently, the charge of glaring oppression can be proved against the Company of those days, is one which neither the interlopers nor the malcontents of St. Helena seem to have taken;—the laws, now happily abolished, respecting the slave population of that island. Those laws contain provisions which, whatever countenance they may be thought to derive from the African policy only recently abandoned by modern

M

* Hist. St. Helena, ch. iii.

Europe, must be condemned as utterly disgraceful to the statute book of a Christian nation.

In resorting to extremes against the interlopers, the Company relied on the powers accorded to them by their charters; of which instruments, however, the validity was, by no small part of the public, much doubted. The question at length came to a legal issue, on a prosecution brought by the Company, in 1685, against a Mr. Thomas Sandys, as having been guilty of a violation of their patent by trading without license in the East-Indies; and the Court of King's Bench pronounced a determination in favour of the prosecutors. Fortunately for those, who are pleased with exhibiting exclusive companies in an odious association, the chief justice on this occasion was the notorious Jeffries. The judgment, however, delivered by Jeffries in the case, though decisive and haughtily toned, does not, as the mention of his name might suggest to a cursory reader, resemble a laconic and ferocious anathema, disdainful of reasoning or explanation. It is a connected and elaborate legal argument, respectable both for learning and for talent; and, though some of the grounds on which he relies seem singularly insufficient, there are others which would leave the question, considered as a dry point of law, in a state of ambiguity. It is not meant to be denied that the improved reason and feeling of the present day, would, even if judging exclusively from the authorities then before the court, have formed

a different decision. The constitutional principles of our ancestors were not very consistently held; the documents that record those principles are sometimes obscure, and would bear to be variously interpreted; but they now generally receive a construction favourable to liberty; for posterity ever assumes the privilege of reading ancient laws by the light of modern experience.

This decision, however, did not universally please. A violent clamour arose against the Company, chiefly through the exertions of the interlopers and their friends; and this clamour was suspended by the crisis of the revolution, only to revive with aggravated force in times which, on almost every national subject, agitated and unsettled the public mind. Some persons recommended an open trade: a greater number formed an association to promote the project of a new joint stock Company. Petitions and remonstrances were on all sides presented, both to Parliament and to the King; and, while Parliament passed repeated resolutions in favour of a new Company, the King repeatedly granted charters to the old. Scarcely any other instance has occurred, of a commercial subject debated with such general interest and animosity. The history of those disputes might easily be made to fill several tedious volumes.

Amidst this tumult, the leading Directors of the Company were guilty of conduct, which, though too much sanctioned at the time by the example of all parties, must for ever be regretted

and condemned by the truest friends to their cause. The author has no wish to disguise this dark page of their history from the knowledge, or to shield it from the bitter censure, of mankind. It appears that they purchased by large bribes the interest of many distinguished state-officers and members of parliament. These practices were, in 1695, detected by the House of Commons, who discovered that, two years before, upwards of a hundred thousand pounds had been granted by the Directors on the services in question. Sir Thomas Cooke, the governor of the Company, and also a member of the house, was on this occasion committed to the Tower for his reluctance to make the disclosures required of him. The enquiry proceeded far enough to implicate persons of great eminence; among others, the Duke of Leeds, against whom the House of Commons actually preferred articles of impeachment before the Lords.* "All parties," (says a historian,)† "the patriot, the courtier, the whig, "and the tory, equally affected a concern for the "prosecution (of the enquiry); nor is it to be "doubted, that they were equally concerned in "it. Each had friends to screen, and enemies to "expose; and the point of contest probably was, "which of the parties should be made answerable "to the public." Such was the profligacy, which

* Comm. Journ. Apr. & Mai. 7 W.

† Universal History, vol. x.

had become epidemic among public men, under the reigns of the two last Stuarts. This conflict, however, in which all were equally vulnerable, seems to have terminated, as might have been expected, in a general compromise. The proceedings began to languish, and, being suspended by a prorogation of parliament, appear never again to have been resumed or even remembered.

These transactions are contentedly abandoned to the indignation of the reader. Let him, however, preserve his indignation pure from a taint of that spirit which is said to have so much actuated the commons in their transient zeal against the offenses described,—the spirit of party. There are those who eagerly seize on an occurrence of this kind, as a definitive proof against the institution of exclusive companies. The occurrence does not, however, of necessity prove more against the institution of exclusive companies, than against that of parliaments. Indeed it proves less; unless it can be thought that the dispensers of the bribes in question violated obligations equally sacred with those senators who, being the constituted guardians of the public interests, set their trust to sale. Nor will it avail to say that these, being the tempted party, were, of the two, the least criminal; for he that is venal on system, is, properly speaking, not the tempted party, but the tempter.

Before we advert to the result of the disputes in which the Company were engaged at home, it

will be proper to observe in what manner, after the unfortunate termination of the Mogul war, their affairs proceeded abroad. It would not seem that the failure of their favourite project occasioned any material depression of their general activity. Under a resolution to retrieve, if possible, the defalcation which the loss of Bantam had produced in their trade, they had, in the years 1686 and 1687, established new factories in Sumatra, and particularly at Bencoolen; making all these, however, together with the other stations in the south-eastern quarter, subordinate to the presidency of Madras. On the improvement of Bencoolen they now bestowed the most careful attention. The ground about the place was cleared; plantations of pepper encouraged; and a fort erected as a protection against possible hostilities on the part of the Dutch. The settlement, with its dependent agencies, soon became valuable, and annually furnished a considerable pepper investment; but, at what cost this new system of establishments had been reared, will be sufficiently apparent from the circumstance that, in the year 1695-6, the Company computed their past expenses on the coast of Sumatra at a sum exceeding two hundred thousand pounds.*

Almost immediately after the conclusion of the Mogul war, a new settlement of importance was acquired on the Coromandel Coast; that of Tig-

* Ann. Ind. Comp.

napatam. The Rajah of Gingee, in whose dominions this place lay, ceded it in full to the British, while besieged in his capital by the armies of Aurungzebe; and, on the discomfiture of the Rajah, the grant was confirmed by the Mogul general. The English fortified the station, and it has since been known by the name of Fort St. David.* The Mogul armies had before this time conquered the kingdom of Golconda; and the governors of the districts in the neighbourhood of Madras had made their submissions to the Emperor. Those governors themselves announced the change in their affairs to the presidency of Madras, one of them, a Hindoo, stating, with the indifference characteristic of his race, that, "as the world "turned round like a wheel, he had beaten his "drums, and fired his guns, for the victory of "the mighty Aurungzebe over his old master."† The English at Madras were not disturbed by the Mogul; on the conclusion of peace they received a confirmation of their privileges, and a farther enlargement of them in the year 1692.

About the same time, a more important acquisition was made in Bengal. During the late hostilities in that province, the agent and council at Hughly, finding themselves in a peculiarly exposed situation, had retired to a town a few miles

* Ann. Ind. Comp. Account of the first settlement at Madras, &c. &c.

† Orme's Hist. Fragm.

lower down the river, called Chutanuttee, immediately contiguous to which is that of Calcutta. It soon occurred to them that this new position possessed eminent advantages for the prosecution of commerce; and, accordingly, on the pacification with the Court of Delhi, the agency was transferred from Hughly to Calcutta. The new situation had but one fault, that of being unhealthy; but the agency successfully exerted themselves to remedy this defect, by clearing the adjoining lands. They took pains, also, to procure from the Nabob the liberty to fortify it, and the right of jurisdiction over its inhabitants; but with respect to both points ineffectually, until their designs were favoured by one of those intestine divisions in the country, to which the people of Europe owe so large a part of their power and dominion in Asia. In 1696, some native Rajahs, of whom the leader possessed districts adjoining to Calcutta, rebelled against the Mogul government, and, before they could be opposed by the Nabob, who resided at Dacca, made themselves masters of Hughly, Moorshedabad, and Rajahmahal. The Mogul cause, on this occasion, was openly espoused by the French and Dutch, who had settlements on the Ganges, and was at least favoured, though under the profession of neutrality, by the English. The local authorities of the three people, accordingly, requested of the Nabob permission to place themselves in a state of defense; and, on his general acquiescence in

their desire, diligently raised walls, provided with bastions, round their principal factories; the Dutch at Chinsura, about a mile southwards of Hughly; the French at Chandernagore, two miles lower down the river; the English twenty-three miles still lower, at Calcutta. News, meantime, of the rebellion, reaching Delhi, the Mogul army marched into Bengal, under the command of Prinze Azem, one of the grandsons of Aurungzebe, who was, at the same time, commissioned to superintend the three governments of Bengal, Behar, and Orissa. The Prince, conceiving it probable that he should one day contend for the imperial throne, and aware that, in Hindostan at least, the grand secret of military strength consisted in pecuniary wealth, soon evinced a resolution to amass money; and he was, in 1698, induced, by some profuse presents which he received from the English agency, to confer on the Company a grant of the three connected villages or towns of Chutanuttee, Govindpore, and Calcutta, together with the justiciary power over the inhabitants. Shortly afterwards, the fortifications of the new possessions being completed, received, in compliment to the King of England, the name of Fort William; and, about the same period, the agency of Bengal, which had before enjoyed only a temporary independence, was elevated to the rank of a presidency.*

* Orme's Indost. B. vi. Ann. Ind. Comp.

For some years, the position and the relative constitution of the presidencies under the government of the Company had fluctuated extremely. But Bombay had, at length, effectually superseded Surat; and, from the date of the building of Fort William, or in the year 1700, it may be said that the established presidencies of the Company were, as they still remain, those of Bombay, Madras, and Bengal. The general controul, however, of the three presidencies, or, according to its modern appellation, the supreme government, possessed as yet no fixed point of abode, nor even any determinate nature; having successively undergone the changes of residing at Bombay, of residing at Madras, and of being divided between the ruling authorities of the one station and the other.

Notwithstanding these partial indications of prosperity, the British interests in India sustained great distress. England and Holland had declared war against France in the year 1689, and hostilities continued for eight years, when they were terminated by the peace of Ryswick. During this war, the immense improvements which had taken place, chiefly through the activity of the ministers of Louis the Fourteenth, in the state of the French marine, discovered themselves in the naval captures made from the English India Company, both on the Indian seas and on the middle passage; particularly, off the coast of Galway, in 1695, when all the homeward-bound vessels of the

Company, consisting of four, were taken by a French fleet.* This calamity had not yet been forgotten, when the recollection of it was superseded by the intelligence of another. A gang of pirates, navigating under English colours the seas of the western India, committed grievous depredations on the shipping of the Mogul merchants. These injuries the Mogul government visited indiscriminately on the Europeans at Surat; but yet in the heaviest measure on the English. The European trade, in general, was subjected to an embargo, until the seas should be cleared of the obnoxious piracy; but, in addition to this infliction, the English at Surat and Swally, sixty-three in number, were for some time confined in irons;† and it seems that this indignity alone preserved them from the worse fate of instant destruction by the hands of the populace. The losses and discouragements arising to the Company from these sources, together with the drain which their funds had sustained, partly from the expensiveness of their new establishments, and partly (it must, with whatever pain, be confessed) from their secret disbursements among the members of the legislature, utterly deranged their concerns. They were unable even to make a dividend, and could with difficulty stem the torrent of opposition by which they were assailed.

* Ann. Ind. Comp.

† Ibid.. . . . . .1695-6.

The merchants who had associated for the purpose of procuring the erection of a new Company, and who were, in fact, principally persons connected with the interloping interests, at length triumphed. In 1698, Government were in immediate want of a sum of two millions. The East-India Company offered to advance to the public seven hundred thousand pounds at four per cent. as the price of a confirmation of their Charter by Parliament. Their capital, at this time, amounted but to seven hundred and forty-four thousand. The offer was rejected, and a bill brought in for raising two millions at eight per cent. the subscribers to be erected into a new India Company with exclusive privileges. The old Company then actually commenced a subscription for the two millions, on the ground of the conditions proposed by the bill. Yet the bill, after great opposition in both houses, passed; and the new Company were regularly established by a Charter from the King. This Charter, however, by enabling subscribers to the fund to become members of the Company, and to enjoy all the advantages of the Company proportionably and rateably to the amount of their respective subscriptions, was interpreted to constitute, though not so intended, a regulated Company. The old Company, therefore, subscribed three hundred and fifteen thousand pounds into the stock of the new, with the view of continuing their trade after the expiration of the period allowed them as a trading

corporation; which period was, by the new act, restricted to the 29th of September, 1701. But, before this period arrived, they had sufficient interest to procure, in their turn, an Act of Parliament and a Charter: and thus were two rival companies established; and each, with the exception of some few members of the new Company, who chose to trade separately, conducted on a joint stock. The two societies were known by the names, the old, of the London Company, the other, of the English. The truth is, that the whole of this contest was only one division of the great battle, that agitated the state, between the tories and the whigs; of whom the former favoured the old Company, and the latter the new.

The English Company commenced their operations by deputing, under the immediate commission of the King, Sir William Norris on an embassy to the Mogul Court, with a view of procuring to them especial advantages of trade. Much expense was incurred by this mission, which however failed of its object, and, in most of their stations, the new Company appear to have been, ever afterwards, rather endured than privileged. As their first measure was evidently imitated from the deputation, on a similar errand, of Sir Thomas Roe, almost a century before, so the arrangement of their settlements and trade was modelled nearly after the example of their rivals. Their presi-

dents, whom they also denominated consuls for the English nation, were, at the outset, three; one at Surat, another at Hughly, in Bengal, and a third at Masulipatam, on the Coromandel coast; to which was afterwards added a fourth, in the island of Borneo. Whether any of these had paramount authority over the rest, does not appear; but this honour, if to any, attached to the presidency of Surat; and it is a circumstance demonstrative of the interest which had formed the foundation of this Company, that while their president on the Coromandel coast was a noted interloper, both their president and their second in council at Surat were persons who had been dismissed from the service of the London Company for misconduct.

The enmity between these associations quickly communicated itself to the seats of their trade in the East; where it produced, not merely a desperate commercial competition, but a contest of intrigues at the native courts, and, in some instances, on the part of the English Company at least, acts of treachery and violence. At the same time, the disunion between men who were subjects of the same sovereign, and arrayed under the same flag, exposed both parties to the arrogance and tyranny of the natives. Of these unhappy disputes, it does not seem important to preserve the memorial. The expediency, however, of an union between the two Companies soon became

apparent; and, by the mediation of the King, the measure was at length resolved on, though it did not take effect till after the accession of Queen Anne. An indenture tripartite, dated the 22d July, 1702, was executed between the Queen and the two Companies; by which it was agreed that the Companies should be fully and perfectly united at the termination of the ensuing seven years, the intermediate time being allotted for various arrangements requisite to this end, which it is not necessary to particularize. In conformity with this agreement, an Act of Parliament passed in 1708; by which, the Companies were consolidated, under the name of the United Company of Merchants of England trading to the East-Indies, with exclusive privileges till the year 1726, on condition of their advancing to the public a loan of twelve hundred thousand pounds, their capital stock at the same time being augmented to three millions two hundred thousand pounds. All matters yet in difference were to be referred to the arbitration of Lord Treasurer Godolphin, who, accordingly, decided them by an award dated the 29th of September 1708. On the union of the Companies, the name of *Committees*, which had been affixed to the managing members of the old Company, gave way to that of *Directors*, which had been introduced by the new association.

From the manner in which the English Company was formed, it does not appear fanciful to

conjecture that the leading members of the association would be distinguished, rather for a contracted and vexatious activity, than for comprehensive counsel and wise conduct. Unquestionably, a comparative view of the measures pursued by the respective agents of the two Companies in India, would countenance the assertion that, in the point specified, those persons were diametrically contrasted. The English Company themselves seem to have at length felt their inferiority in point of qualification; for, on their junction with their rivals, two of the English presidents were displaced, and the third was called to account on suspicion of misconduct, while the higher officers of the London Company, so far as circumstances made it practicable, retained their situations. This honour was, with particular care, shewn to Mr. Thomas Pitt, who, on behalf of the London Company, presided over Madras, with authority independent of the supreme Governor or General of Bombay, and with a controul over the presidency of Calcutta. Mr. Pitt was grandfather to the late Lord Chatham, and proprietor of the celebrated diamond that bears his name; but he is better known to the student of the annals of the Company, for the fidelity and ability with which, under very embarrassing circumstances, he transacted the affairs of that body. When first apprised of the union between the Companies, and while the servants, for the most part, of each,

inflamed by systematic hostility, could ill compose their feelings, Pitt addressed the English Company in the following words: "My gratitude, as an "Englishman, obliges me to pay all deference to "the blessed memory of King William, and to "remember that great saying of his, to the French "King's plenipotentiary, at Ryswick, upon con- "cluding the peace, *'twas my fate, and nott my* "*choice, that made mee your enemy*; and since you, "and my masters, are united, itt shall be my "utmost endeavor to purchase your good opi- "nion, and deserve your friendship."*

During the separate subsistence of the Companies, notwithstanding the commercial efforts of both were unremitting, no great extension of the Indian trade took place. The London Company, indeed, not without much difficulty, established a direct, though not a regular, trade with Canton, their imports thence partly consisting in teas; but the enterprises of the English Company, both in China, and in the other resorts of the Eastern sea, were peculiarly unfortunate. Their factors were compelled, with great loss of goods and stores, to quit Chusan, an island on the Chinese coast, where they had commenced a settlement; and a worse result attended their endeavours to establish themselves on Pulo Condore, an island subject to the Cochin Chinese, and at Banjar Mas-

* Annals of the India Company, 1702-3.

sin, in the island of Borneo. The British, at the former, were barbarously massacred by the natives in 1705; and, two years afterwards, nearly the same fate overtook those at Banjar Massin, only a few escaping with life. In addition to the circumstances abroad, which impeded the trade of the Companies, some measures newly adopted by the legislature at home compelled them to content themselves with abridged investments. By the Prohibition Act, passed in the year 1700, the importation from Persia, China, and India, of all wrought silks, stuffs, and printed or dyed calicoes, except for re-exportation, was absolutely interdicted; and, in the following year, a duty of fifteen per cent. was imposed on muslins; regulations, materially reducing the value of the East-Indian commerce.

The United Company, admonished by the scene of clamour and objection through which the Old Company had passed, pursued their concerns with equal activity and intelligence. Their principal attention was naturally bestowed on their interests in Bengal; where they doubled the garrison of Calcutta, and re-settled the subordinate factories of Cossimbazar, Dacca, and Balasore, which had before been relinquished. But the situation of Hindostan at this time was such as peculiarly to impede their efforts. The great age and infirmities of Aurungzebe presaged an approaching contest for the throne among the sons of that monarch; and the whole empire was already blackening with

the storms that were to attend his dissolution. The expected event took place in February, 1707. After one of the most tremendous conflicts recorded in the annals of Indian successions, Mahomed Mauzim, the eldest surviving son of the deceased emperor, established himself on the throne, with the title of Behader Shah; but, dying in 1712, left the sovereignty again a spoil to the various members of the imperial family. Meanwhile, some Hindoo tribes of the military cast, who had been reduced to a state of vassalage by the Moguls, revolted; and the increased depredations of the Mahrattas aggravated the prevalent confusion. Amidst these distractions and alarms, the Indo-British trade was not only depressed in common with the general commerce of the empire, but the weakened and militant state of the imperial authority in a great degree threw the English into the power of the native provincial governors. The Nabob of Bengal was now Mahomed Jaffier Khan, a tyrant and a robber, but of no mean ability. This person, jealous of the European residents in his province, very skilfully contrived to persecute the English with the most cruel oppressions, while he at the same time left inviolate the letter of the imperial grants which they had received. On the other hand, the extortions inflicted on the English by the government of Surat became so enormous, that the residents were compelled to relinquish the factory in that city, and to take refuge in Bombay. This

incident, however, unpromising as it appeared at the time, proved, in the sequel, most auspicious.

Weary, at length, of the insults and injuries which they sustained from Jaffier Khan, the presidency of Calcutta, in the year 1713, proposed to the Company the mission of an embassy of complaint, supported by presents, to the court of Delhi. The monarchy enjoyed, at this period, a temporary calm. The reigning emperor was Furukseer, a degenerate descendant of Aurungzebe, being the son of the Prince Azem, before mentioned as the ruler of Bengal, and consequently the grandson of Behader Shah.

The Company entirely approved the project of the Calcutta government, and desired that their other presidencies would co-operate in the petition with which the proposed embassy was to be charged. The choice of the deputation they left to the governor of Calcutta, who selected two of the ablest civil servants on the Bengal establishment, together with an Armenian merchant of distinction, resident at the presidency. The presents that accompanied the ambassadors were valued at thirty thousand pounds sterling.

It would be uninteresting to recount the numberless intrigues which these persons encountered at Delhi, where the court had now sunk into a state of the grossest sensuality and corruption. The embassy would have failed altogether, but for the concurrence of two propitious circumstances. The one of these was a cure effected on the

person of the Emperor by Hamilton, the surgeon of the English embassy, which so highly propitiated the monarch, that he professed a readiness to bestow on the ambassadors any bounty which might be consistent with the dignity of his own government. It will be recollected that this was not the only occasion on which the medical skill of the English procured them privileges at the imperial court. The gratitude of the Mogul, however, might scarcely, perhaps, have survived the delays created by his own indolent habits and the intrigues of his omrahs, had not another fortunate incident co-operated. This was the retirement, already stated, of the English factory from the town of Surat. Immediately before the Mogul war, planned by Sir Josiah Child, and conducted by his brother, the factory had retreated in the same manner; and the Nabob of Guzzerat, within whose principality Surat was comprised, recollecting that occurrence, and the vast losses which, at the commencement of the war in question, the Mogul shipping and commerce had sustained, was alarmed lest a repetition of the retreat should be the prelude to a repetition of the losses. His representations on this subject at the imperial court, decided the wavering favour of the government in behalf of the English; thus furnishing, although late, some justification of that warlike and daring policy which had drawn on Child such a mass of contemporary obloquy.

The grants or patents requested by the ambassadors were issued in the earlier part of the year 1717. They were in all thirty-four. The substance of the privileges conferred by them was, that English vessels wrecked on the coasts of the empire should be exempt from plunder; that the annual payment of a stipulated sum to the government of Surat should free the English trade at that port from all duties and exactions; that three villages, contiguous to Madras, formerly granted and afterwards resumed by the government of Arcot, should be restored to the Company; that the island of Diu, near the port of Masulipatam, should belong to the Company, paying for it a fixed rent; that, in Bengal, all persons, whether European or native, indebted or accountable to the Company, should be delivered up to the presidency on demand; that goods of export or import, belonging to the English, might, under a *dustuck* or passport from the president of Calcutta, be conveyed duty-free through the Bengal provinces; and that the English should be at liberty to purchase the lordship of thirty-seven towns contiguous to Calcutta, and in fact commanding both banks of the river for ten miles south of that city.

Of this catalogue, the privileges granted in Bengal seem the most important; and, indeed, they were long considered as constituting the great charter of the English in India.* A part of

* Rennell's Memoir. See also Chapter II. of the present work.

them, however, the Nabob found means to render ineffective. The grant of the thirty-seven towns he frustrated, by secretly instigating the owners to refuse the English offers of purchase, however liberal. In another point, his opposition to the claims of the patentees was more open. The Calcutta government contended that the immunity conferred by the imperial grant was intended to protect, not merely articles of export or import, but all English property in transitû, even that circulating within the provinces. The words of the patent would perhaps warrant this construction; but Jaffier Khan indignantly disallowed it, not without the use of strong arguments in his own justification; and the claimants found it necessary to satisfy themselves with the studious cultivation of their less equivocal privileges.*

The Company, though they debarred their servants in India from the trade to Europe, excepting with respect to some specified articles, had altogether relinquished to them the country trade, or that which passed between one Indian port and another. The exemption from payment of customs in Bengal covering this trade as well as that of the Company, it increased with great rapidity. What with their skill in navigation, and their privilege, the English became the principal carriers from the ports of the Ganges; and the shipping possessed by private Europeans at Calcutta

* Orme's History.

amounted, in ten years after the period of the embassy, to ten thousand tons.

Amidst their concern to promote the Indian branch of their commerce, the United Company did not neglect the island of Sumatra; where, as was before related, the Old Company had, on the expulsion of the British agents from Bantam, established a set of factories, Bencoolen being the chief. This establishment prospered so well, and promised so much, that, immediately after the first union between the two Companies in 1702, the government of Bencoolen was declared independent of Madras. Mr. Thomas Pitt, the president of Madras, remonstrated against this measure;* which appears to have been, at least, so far imprudent, that the governing council of Bencoolen were scarcely qualified for the delicate trust reposed in them.

The character and situation of the native governments within whose territories the Sumatran factories were placed, would alone have rendered the position of the British on the island precarious. Of the chiefs or governors, some were aboriginal, some Malay;† two races, between which very competent authorities assert a distinction of character highly to the advantage of the former; but the races seem greatly interspersed, and it would hardly appear that the alleged distinction is very perceptible in their public or national conduct.

* Ann. Ind. Comp. † See Marsden's Sumatra.

At all events, the Malays were alone sufficiently numerous to create difficulties by their constitutional treachery and vindictiveness. The state of society, or, if the term may be so misapplied, of *polity*, among the natives, was such as to aggravate the danger. Each principality seems to have been provided with a number of barbarous nobles or rajahs, all nominally owing to the prince, whether styled *sultan* or *pangran*, an obedience, of which he was paid exactly as much as he could extort. The regal power may be said to have been both elective and hereditary; for it is not easy to determine which was the rule and which the exception. The government, in short, exhibited what may generally be looked for in uncivilized communities;—an alternation or a conflict, rather than a mixture, of opposite forms and principles. With states thus simply constituted, the circumstances under which the English entered the country had unfortunately drawn them into close connexion. They found themselves strenuously and at the same time dexterously opposed by the Dutch, who had long been established in various parts of the island, and who, pursuing with unmitigated hatred their victims in Bantam to the coast of Sumatra, instigated the natives to crush the new English settlements, and enforced their instructions, wherever it was practicable, by threats and violence. Thus assailed, the English were driven to the adoption of a defensive policy. They very naturally, therefore,

formed intimate alliances with as many of the native potentates or grandees near the coast as would accept and could reward their friendship. But such alliances with such governments could not but be unsafe.

Among the foremost of these allies was a Sultan Guilemot, sovereign of the country of Anaksoongay, in which were situated some of the subordinate factories; particularly that of Bantal, settled in the year 1700. In the court, if it may be so called, of this prince, the English by degrees acquired a very considerable influence; and it would appear that, at length, presuming on their protection,* while he was impatient of their authority, he became equally suspected by his supporters and his subjects. Less than this might have produced broils and dissensions, where the persons concerned were a Malay Sultan, Malay chiefs, and the imprudent government of Bencoolen. Jealousies grew on every hand, and, after various intrigues, produced, in 1708, an open rupture.† It does not seem necessary, nor indeed would be very easy, to unravel the complicated scene of cabal and hostility that filled up the ten or twelve following years. Amidst quick interchanges of desultory war and uneasy peace, during which all parties seem successively to have appeared on all sides, the Sultan repeatedly lost

* Letter from the Chief of Bantal to York Fort, in the Company's Records, 1713.

† Company's Records.

his kingdom, and other sultans were substituted. At length, in 1716, Guilemot was, by the concurrence of the English and the rajahs and mandarins of Anaksoongay, finally deposed; and the vacant sultanship was conferred on Rajah Cutcheel.

It is proper, however, to notice particularly the effects produced by these occurrences on the British interests. The growing power of the British, aided, on the one hand, by the impolicy of the residents both at Bencoolen and at Bantal, and, on the other, by the agency of Dutch emissaries,* so widely and deeply offended the native grandees, as to excite extensive combinations for the utter destruction of the British establishments on the island. One of these plots was abandoned, in 1711, only on the arrival of the intelligence that the Company had again made their Sumatran factories subordinate to the presidency of Madras.† The change also of the administration at the factories, by the arrival of new and moderate leaders, somewhat tended to allay the general disturbance. The active interference of the residents in the concerns of the natives was expressly prohibited by the Company; Mr. Collett, who was, in 1711-12, appointed chief of Bencoolen, being strongly enjoined to cultivate peace and preserve a careful neutrality.‡ These instructions both

* Company's Records. † Ibid.

‡ Ibid.

Collett and the chief of Bantal very sincerely, as it appears, laboured to carry into accomplishment.* But it was not now easy for the British to make an effectual retreat. Disputes continued among the natives with whom they were connected; mediation, to which in intention the residents strictly confined themselves, insensibly, if not unavoidably, became active interference; and, interfering as secondaries, they soon became principals. The result was calamitous. In 1718, the ex-sultan, Guilemot, and a Rajah Mansore, once his rival for the sovereignty, uniting their forces against the British and Sultan Cutcheel, destroyed the town of Ippoe, with the British resident and all his people.† In the March of the following year, a numerous and combined army of the natives compelled the British to evacuate Fort Marlborough, which had, in 1714, been built, as a place of strength, near Bencoolen, and had now superseded it, and to take refuge on board their ships. This conspiracy was headed or abetted by the two *pangrans* of Bencoolen; chiefs, hitherto friendly to the Company.‡ It is curious that, some years before this period, Mr. Pitt, the president of Madras, had partly predicted for Bencoolen the fate of the factory at Banjar Massin.§

* Company's Records, 1712 and 1713.

† Company's Records.

‡ Company's Records. For an account of the pangrans of Bencoolen, see Marsden's Sumatra.

§ Bruce's Annals, 1707-8.

The enterprise and influence of the Dutch, which had so often injured the British, now did them an involuntary service. The natives, dreading that the Dutch would, with their usual activity, take advantage of the absence of the British to establish their own power, soon allowed their late enemies to resettle the factories from which they had been expelled. This was early in 1721.* For a considerable time afterwards, the Sumatran establishments of the Company, either from better management or better fortune, remained in tranquillity; and it is a singular circumstance that the influence of the British residents over the natives has ever since silently increased, not only without any very injurious consequences, but with advantage to all parties.†

It was about this period, that the Europeans established in the trade with India found themselves unexpectedly encountered by a new and powerful rival. In the year 1716, the governor of the French settlement of Pondicherry announced to the British at Fort Saint David, that there were, off the Malabar coast, two forty-gun vessels, under Imperial colours, which had been fitted out at Ostend.‡ These vessels appear to have belonged to the Ostend East-India Company, who were just commencing their operations, although they did not gain a regular charter from their sovereign the Emperor till four years afterwards.

* Company's Records.

† Marsden's Sumatra.

‡ Company's Records.

The inhabitants of the Austrian Netherlands had long been anxious to obtain a share in the lucrative trade of the East; but it is not probable that they could have carried their wishes into effect, if they had not found coadjutors in the very quarters of those whom they were desirous of rivalling. In the service of the Dutch and English companies, many navigators and agents had been formed, who, having retired from their employments in disgust, or been dismissed for misconduct, or fled to avoid a dismissal, were prepared to transfer their knowledge and experience to a new master; others who, though still serving, might be tempted to betray or desert their employers. There were merchants also, both in England and in Holland, who, either from a jealousy of the restrictions imposed in those countries on the Indian commerce, or, what seems a more difficult supposition, from a scarcity of channels of trade nearer home, were disposed to cherish a new establishment wherever erected. To men thus inclined, the fiscal policy of the English government supplied an additional incentive. The heavy duties levied on commodities imported from the Eastern ocean, and particularly on tea, held out high encouragement to a contraband trade conducted under the disguise of a foreign flag. How far the revenue regulations of Holland might, in like manner, tend to create an illicit Indian commerce, is not known to the present writer; but, undoubtedly, all the classes of persons which have been

described were the natural allies of the Ostend Company.

The success with which the Ostenders began their career was little agreeable to the Companies already subsisting. The Dutch, in particular, felt that alarm, and exerted that activity, which they had so often evinced in similar cases. They presented memorials to the Imperial Court, denying the right of the Austrian Netherlands, consistently with plain treaties, to interfere in the commerce of India. They seized the vessels of the Ostend Company with their cargoes. They prohibited the subjects of the States from all concern in the Ostend Company, on the severest penalties; even, it is said, on pain of death. France and England seconded these efforts, but with more mildness. His Most Christian Majesty published a declaration, denouncing various forfeitures, and, in some cases, imprisonment and exile, on those of his subjects who should either enter into the service of the new company or hold shares in their stock. Similar punishments were threatened to British subjects offending in a like manner, by the act of the 9th of George I. chap. xxvi; and, in one case at least, an Ostend ship, homeward-bound, was captured by a British privateer. Both France and England, at the same time, strongly remonstrated with the Emperor.

The Court of Vienna long persevered; and the more readily, as Spain, by an article of the treaty of Vienna, concluded in 1725, guaranteed the

existence of the new company. This treaty, however, occasioned that of Hanover, between France, England, Holland, Prussia, Denmark, and Sweden; by which, among other provisions, the contracting powers mutually guaranteed their respective commercial privileges; a stipulation, plainly pointed against the Ostend Company. The Emperor, after some delay, yielded to this formidable combination. A treaty was signed at Paris in 1727, in which he formally promised to suspend the company for seven years. Before the expiration of that term, he, by the treaty of Seville, pledged himself to the dissolution of it altogether.

The history of the Ostend Company fully justifies our ancestors in paying an early, and what some have thought a premature, attention to the commerce of the East. The Ostend Company, in 1720, were, in means and equipment, incomparably superior to the English East-India Company in 1600; yet, by being little more than a century later, they found the trade pre-occupied. It is true that the powers who had joined to crush this association, afterwards permitted a company to be erected in Sweden, partly out of its ruins; but Sweden was poor, and almost below the level of commercial jealousy. Even the Swedish Company, however, did not rise unopposed; and, had Gottenburgh been Ostend or London, there seems good reason for believing that the opposition would have been far more strenuous.

But lessons of a very different kind have been deduced from this piece of history. The losses which the Dutch and English companies sustained from the rivalship of the Ostenders, have been quoted as proving the constitutional weakness of an exclusive company; and the violence with which they persecuted their competitor, as an equal proof of its constitutional malignity.

The policy of Holland and England on this occasion should be condemned perhaps, but it was scarcely any otherwise unjust, than as being the arbitrary and ungenerous assertion of a just claim. The exclusion of Spain from the parts of the Indian seas frequented by the Dutch, was one of the advantages which the United Provinces had gained by the war that had made them independent; a war, in which they were assisted by Queen Elizabeth. This was, therefore, a sort of compensation which they had exacted from Spain, for a long series of the deepest injuries. The Netherlands, then belonging to Spain, of course fell under this prohibition. Afterwards, this territory was, by the united prowess of England and Holland, transferred to the Emperor; and it certainly was not unnatural in those states, particularly in Holland, to ask of the Emperor that they should not suffer by their own benefaction. According to the memorials, indeed, of the Dutch on this subject, the continuance of the restriction on the trade of the Netherlands was implied in the very terms of the barrier treaty; but, at least, the

nature of the treaty and the circumstances of the parties may be thought to have implied it. It is not meant to be denied that the conduct of the maritime powers in this affair would have been much more amiable, had it been less selfish; but self-denial and amiableness are not ordinarily the virtues of states, and the want of them in the present instance may surely be explained without resorting to any supposed malignity in the character of exclusive companies.

Neither is the weakness of such companies at all demonstrated by the success of the Ostenders against the Dutch and English. The author of the Considerations, indeed, represents the Ostend Company as "conducted by the skill of individuals in the spirit of a free trade;" and, afterwards, more directly speaks of "the free trade at Ostend." These expressions, not being either qualified or explained, will of course be understood to denote an open regulated company; or, at all events, an association very different in its nature from the English India Company. Yet, in point of constitution, the Ostend Company seems to have been of the same species with our own. Like the English Company, it was conducted on a joint stock. It was, like the English Company, a monopoly under the guardianship of the state, the imperial protection having been promised to it on its first formation, solemnly plighted within two years afterwards, and, within two more, accorded in a charter incorporating it for thirty

years. What is yet more remarkable, it was, at its very outset, guilty of the worst sort of offenses ever committed by the English Company; for its privileges were not attained without the distribution of large sums of money at the imperial court.* The persecution that assailed and at length overpowered it, was precisely like that which, since the Portuguese, every new candidate for the Indian trade has successively sustained, though in various degrees; the Dutch and the English from the Portuguese; the English and the French from the Dutch; the Danish from the Dutch and the English; and the Swedish from at least the Dutch. Only, in the case of Ostend, the opposition for once stood on tenable ground, and therefore prevailed. Thus far, then, this precedent, so much relied on, of the Ostend trade, seems to neutralize itself; for, if the losses of the Dutch and English are to be considered as shewing the weakness of exclusive companies, the success of the Ostenders must, by parity of reasoning, be taken as a proof of their strength. It must be added, however, that, by engaging in the illicit tea-trade, the Ostenders gained a real advantage over every rival less expert than themselves in the mystery of smuggling, whatever might be the expertness of their rivals in the practice of legitimate commerce.

o 2

* Mod. Univ. Hist. Ost. E. I. Comp. § 1.

The increasing importance of the British settlements in India, and particularly of those which are at this day the chief presidencies, is marked by the letters patent granted to the Company in 1726. Hitherto, the judicial powers possessed by the constituted authorities acting under the Company in India, had been defined with little exactness; especially in criminal cases. By the letters patent in question, the King, George I, established at the three settlements of Madras, Bombay, and Calcutta, regular courts of record for the discharge of both civil and criminal justice. The courts were respectively to consist of a mayor and nine aldermen, seven of whom at least, with the mayor, were to be natural born subjects; the other two might be subjects of some friendly state. The mayor was to be elected by the aldermen, and to continue in office for a year; the aldermen to continue such, unless misconducting themselves, for life; and the vacancies to be filled up from the principal inhabitants of the settlement. An appeal was allowed to the governor in council, and, where the matter in dispute exceeded a certain sum, to the King in council. By the same charter, the governor and senior members of council at each presidency were created justices of the peace, and empowered to hold quarter sessions. These letters patent were granted at the solicitation of the Company, who represented that their leading settlements had become very populous and important.

In 1730, the Company obtained from Parliament a renewal of their charter, on their giving a premium of two hundred thousand pounds, and consenting that the interest on the debt owing to them from the public should be reduced from five to four per cent. The term allowed was till three years notice after the 25th of March, 1766. The disputes at this crisis ran somewhat high; turning, however, on the points usually brought forward, and which, therefore, it would be superfluous here to recapitulate. Dr. Smith treats with ridicule the arguments, or some of them at least, by which the Company defended themselves on the occasion; but it would be easy, were it necessary, to shew that those arguments, though sufficiently unsound, were by no means more open to derision than certain of the reasonings urged on the opposite side. The truth appears to be, that neither party penetrated to the bottom of the question.

At this period, and for some years afterwards, the British establishments subsisted without any such prominent changes of fortune as require to be minutely noticed. The provinces of the Mogul empire were now generally declining in prosperity, from the troubles by which they were distracted. In Bengal, Sujah Khan, the son-in-law and successor of the Nabob Jaffier Khan, although, for an Asiatic, he seems to have been a prince of fair character, paid but a slight regard to the privileges which the Company had gained

from the court of Delhi.* The government of Surat followed a course exactly similar;† and, at the same time, the piratical tribes which have, from very ancient periods, infested the Malabar coast, so increased in power and activity as sensibly to affect the advancement of the British trade.‡ Meanwhile, the Perso-British settlements were greatly depressed, the kingdom of Persia being at war with the Turks, and in a state of the utmost confusion and embarrassment.§ But the greatest source of trouble followed afterwards, in the invasion of Hindostan by the Persian conqueror, Nadir Shah; a calamity which took place in 1739, and which, immediately and powerfully affecting the heart of the empire, convulsed, more or less faintly, its remotest extremities. The impression, however, produced by these events on the general prosperity of the Company, although at an earlier stage of their history it would have been profound, was less material, and therefore less detains the eye of the historian, on the comparatively extended scale which their affairs had now reached. On the whole, their trade increased. They gradually enlarged their exports.‖ They extended their influence by esta-

* Company's Records, 1727.
† Ibid. . . . . 1731, 1734.
‡ Ibid. . . . . 1731.
§ Ibid. . . . . 1732, 1734.
‖ The Company exported the following sums in goods and bullion,

blishing commercial relations with the petty princes on the Malabar coast south of Goa. Such were the Rajahs of Cherical and Cartinad;* and the Queen or Rannee of Atinga,† whose territory is said to have stretched from Quilon to Cape Comorin. Above all, they gradually confirmed their connexion with China, in spite of innumerable difficulties and obstructions interposed by the singular and jealous policy of the Chinese government.‡ Not fewer than three or four Chinese ports seem at that time to have been accessible to British commerce, which the court of Pekin, probably from apprehensions excited by the British conquests in the East, has now rigidly closed.

The war which broke out between France and England in 1745, had the effect of producing, at length, an important variety in Indo-European

lion, during successive quinquennial periods, from the year 1710 to the year 1745.

	Goods.	*Bullion.*
1710 to 1715......	£496,770......	£1,601,464.
1715 to 1720......	520,364......	2,733,943.
1720 to 1725......	578,155......	2,770,238.
1725 to 1730......	551,234......	2,551,872.
1730 to 1735......	717,854......	2,406,078.
1735 to 1740......	938,970......	2,459,470.
1740 to 1745......	1,105,750......	2,524,108.

* Asiat. Researches, Vol. v. Article I.

† Company's Records, 1729.

‡ Ibid.............. 1720—1740.

history. That war lighted up reciprocal hostility in the most distant possessions, wherever they chanced to be contiguous, of the two nations; and, in India, where the French settlements had now attained considerable importance, it occasioned fierce contests both by sea and land. In 1746, Madras was besieged by a French armament under M. de la Bourdonnais, and compelled to capitulate. The authority of La Bourdonnais, however, was disputed, as perhaps his high and well-merited fame was envied, by M. Dupleix, governor of Pondicherry, the principal establishment of the French in the East-Indies. The obstacles which this rivalry interposed in the way of the French commander, together with the discomfiture of his fleet by storms, checked, happily for the English, the progress of his conquests. Admiral Boscawen afterwards made an ineffectual attempt to avenge the capture of Madras by that of Pondicherry; but the peace of Aix-la-Chapelle restored the former settlement to the English. In the course of these operations, the army of the Nabob of the Carnatic, within whose jurisdiction both Madras and Pondicherry were situated, and who successively took part with the combatants on both sides, sustained a total defeat from a prodigiously inferior number of French. The event is memorable, chiefly, as presenting the first occasion on which the superiority of European arms was signally manifested in Hindostan.

The peace did not remove the military means which had been collected in Pondicherry by the previous contest. On the contrary, an army remained in that settlement, of very respectable size; for the European force alone is estimated to have consisted of three thousand men. During the war, also, the French had acquired, and very deservedly, a considerable military reputation; so that, in every view, the Gallic interests, in the East, seemed at this moment preponderant.

The transactions which have been touched upon, may be considered as in some degree a prelude to the very momentous events which speedily ensued in India, and in part on the very same scene. Perhaps they even conduced to those momentous events; so far at least as they stimulated the already eager ambition, and augmented the warlike resources, of the French leaders at Pondicherry. In any other view, the Indian operations of the war of 1745 are of no peculiar consequence. A minute detail of them, therefore, would not here be necessary, even were they not eclipsed, both as to their actual magnitude, and in their importance with respect to the design of this history, by the wars and revolutions immediately subsequent. The wars and revolutions in question are no other than those that invested the British nation with political power and dominion in the East-Indies.

CHAPTER II.

From the year 1748 *to the year* 1766-7.

The territory of the Carnatic was one of the subordinate principalities, immediately governed by nabobs, but subject to the provincial viceroy, or subahdar, of the Decan, who was considered as the immediate feudatory of the Mogul emperor. Nizam ul Muluk, a subahdar of the Decan, distinguished for his ability and power, though of a base and iniquitous character, dying in 1748, the vacant province was disputed between Nazir Jung, his second son, and a grandson by his daughter, named Murzafa Jung. In the constitution of the Mogul empire, nobility being merely official, all hereditary rank, excepting that of the members of the imperial family itself, is unknown. Both the competitors for the Decan, however, produced regular instruments of investiture as from the Mogul court; instruments, possibly, on both sides forged; for, in the now declining and distracted state of the empire, this species of fraud had become of frequent practice. At the same time, the Nabob of the Carnatic, Anwaradeen Khan, who had been regularly established in that office by Nizam ul Muluk, was op-

posed by a rival claimant of the name of Chunda Saheb, distantly related to a former Nabob, and possessing at least the qualification of considerable talents. Murzafa Jung, the pretender to the province, and Chunda Saheb, the pretender to the nabobship, made a common cause; and to their alliance acceded, as a third party, M. Dupleix, the governor of Pondicherry. In forming this connexion, Dupleix, a man of great intrigue and unbounded ambition, deliberately, and indeed avowedly, aimed at the acquisition, in behalf of his nation, of extensive territorial and political power; for such was the stipulated price at which he promised his support to the pretensions of the two native chiefs.

The combined troops of the French and the two chiefs overthrew those of the Nabob Anwaradeen, on the frontiers of his own country, in a pitched battle, in which he himself was killed, and his eldest son taken prisoner; while his second son, Mahomed Ali Khan, escaped by flight and implored succour from the English.

At this time, although the English had detached their forces on an unsuccessful expedition to Tanjore, at the earnest solicitation of the dethroned king of that country, who desired their assistance for the recovery of his dominions, yet nothing like schemes of conquest had entered into their contemplation. The possession of a petty fort, and the payment of their expenses, constituted the whole of the reward pledged for their

services to the Tanjorean monarch. In the mean time, they passively beheld the ascending power of their European neighbours, whom the recent war had sufficiently proved to be meditating the humiliation or extinction of the British name in the East, and whose rapacious schemes had been distinctly perceived and announced by Mr. Morse, the governor of Madras at the time of its capture.* What is yet more remarkable, even the expulsion of the family of Anwaradeen, and the application of Mahomed Ali for assistance, so far from striking the British government as a convenient opportunity for the political aggrandizement of their nation, did not rouse them to a proper apprehension of their own danger. On the contrary, the fact should be noticed, that, although they detached a few Europeans to join Mahomed Ali, they at the same time permitted Admiral Boscawen, who happened to be on the coast with a respectable force, both naval and military, to return to Europe; and this, notwithstanding that officer publicly volunteered, if it were desired, to remain. The truth is, as Mr. Orme explicitly states, that they yet "retained their ancient reverence to the Mogul government."† Nor, according to that historian, was it till the immense army brought by Nazir Jung into the field, the number of the great lords who followed his stand-

* Account of capture of Madras, by Nicholas Morse; Company's Records, 1747.

† Hist. Book II.

ard, and the implicit obedience which he received from most of the feudatories of the province, had convinced them of the justice of his title, that they fairly entered into the war, by espousing the alliance of Nazir Jung and Mahomed Ali. It should be observed, that the latter received a formal confirmation of his claim to the nabobship from Nazir Jung, now his acknowledged superior.

In this point the conduct of the servants of the Company will hardly be thought indefensible. Although the disturbed state of the empire had left little other rule of succession among its various dependencies than the will of the strongest, yet, at least, according to every available criterion of judgment, the chiefs upheld by the Company had better claims to the honour for which they sought than their rivals. At the same time, self-preservation so strongly dictated the course which the English actually pursued, that they seem rather to require an apology for their tardiness in resorting to it. Accordingly, they are strongly blamed for this tardiness by Mr. Orme, who remarks that, on the first appearance of the confederacy between the French and Chunda Saheb, the English ought spontaneously to have joined the rival Nabob, Anwaradeen.

Such was the origin of a war which, in whatever manner it might terminate, could scarcely fail of giving, either to France, or to England, or to both, territory and dominion in the peninsula. In its progress, this war preserved, essentially, the cha-

racter under which it had commenced. The violent deaths, indeed, of both Nazir Jung and his nephew, introduced on the scene new competitors for the subahdarry; but the English, throughout, persevered in their object of securing to Mahomed Ali the nabobship of the Carnatic. In the prosecution of this purpose, amidst scenes of warm commotion and contest, if any measures were adopted of which the expediency or the correctness may be disputed, yet, on the whole, the English name acquired no less reputation of good faith and humanity, than of courage and conduct both in polity and in arms.

But a detail of transactions purely military, and especially of transactions already recorded with great copiousness in the popular work of Mr. Orme, * does not belong to this place; although the heroism displayed during the war by the English, and particularly by Clive, forms a subject which might seduce into description the most dry recorder of dates. It may suffice to observe that, the breaking out of the seven years war rendering the French and English in India principals in the contest, the former captured the subordinate factories of their rivals, and, at length, even laid siege, though unsuccessfully, to Madras; that the constancy, however, of the English, aided by the

* In so large a work as that of Mr. Orme, occasional inaccuracies were unavoidable. Some of these are corrected in a recent and very valuable publication by Colonel Wilks, on "The South of India." Generally speaking, however, the authenticity of Orme's history equals its other merits.

arrival of reinforcements from Europe, succeeded in turning the fortune of arms; that the French were repeatedly defeated, Pondicherry taken, and Mahomed Ali established in his principality; that Salabut Jung, the third son of Nizam ul Muluk, who had been raised to the musnud of his father by the assistance of the French, at length sought and obtained an accommodation with the English; that, finally, they received from this person, a confirmatory grant of the possession, which their victories over the French had given them, of the Circar of Masulipatam and its districts, with the Circar of Nizampatam,—and that they, at the same time, received from Mahomed Ali a grant of the territory about Madras, and the advantage—an advantage of great and of indefinite extent,—of a powerful and durable influence in the Carnatic. These acquisitions, the due price of forbearance, or the merited reward of eminent service in a just quarrel, can reflect no discredit, either on the national character, or on that of the Company.

Previously, however, to this happy result, the operations of the English on the coast were retarded by the necessity of detaching a force to the succour, or rather the re-establishment, of their interests in Bengal. From what events this necessity arose, and what was the issue of those events, we must now proceed to see.

In the year 1741, Alaverdi, a Tartar by birth, and a military adventurer, usurped the nabobship, or, as it was indifferently called, the subahdarry, of

Bengal, after deposing the family to whom he owed his fortunes. He defended, however, with great resolution, and governed with no less ability, his ill-acquired dominions, and died in possession of them, in 1756, leaving, for his successor, a grand nephew, named Surajah Dowla.

The young prince seems to have ascended the musnud, with strong prepossessions against the English; derived partly from the circumstance of their having afforded refuge, for a short time, at Calcutta, to a Bramin in the interest of one of his rivals for the succession. It is said, also, that he had received from his predecessor a death-bed injunction to watch the European settlements in Bengal, and ever to thwart their attempts at the acquisition of military strength. The anecdote stands on insufficient evidence; but the sentiment imputed in it to Alaverdi is perfectly consistent with what is known of the habitual sagacity and caution of that chief. In the incapable hands, however, of Surajah Dowla, such a maxim could prove only an instrument of mischief to others and to himself. Understanding that the presidency of Calcutta were building a wall and digging a moat about that city, he commanded them by letter, not only to desist from their purpose, but to destroy the new works which they had erected. The governor replied by stating the plain truth; which was, that the presidency were neither building a wall nor digging a moat, but that the apprehension of a speedy rupture between France and England

had induced them to repair a line of guns which guarded their fort on the front next the river, as a protection to their settlement against the French. The undisguised frankness of this reply is censured by Mr. Orme as incautious, but, at least, it proves the absence of all political machinations on the part of the government of Calcutta. The Nabob, however, affected to regard any resolutions of self-defense on the part of the English, as a direct reflexion on him, their lawful protector; and instantly marched, at the head of his army, to attack Calcutta with its dependent settlements.

Having first taken and wantonly plundered a small fort belonging to the Company at Cossimbuzar, he proceeded to the main object of his attack, uninfluenced by the earnest and repeated assurances of the government, that they were ready to demolish any of their newly erected buildings which might, in his estimation, deserve the name of fortifications. The truth seems to be, that he had formed the most extravagant notion of the riches of Calcutta, and destined them for the gratification of his rapacity. Unfortunately for the English, their fear of aggravating the resentment of the Nabob had deterred them from those defensive preparations which alone could secure them against its effects. The fate, however, of Cossimbuzar convincing them of the necessity of resistance, they diligently resorted to such precautionary measures as were yet within reach.

The town was gallantly, although not very skilfully, defended for three days, when the governor, with several of the principal persons in the settlement, made their escape by means of the vessels in the river, leaving the rest of the inhabitants to their fate. This desertion reduced those that remained, after a farther resistance of twenty-four hours, to the necessity of a surrender. After his entrance into the fort, Surajah Dowla, although he expressed much dissatisfaction at the smallness of the sum found in the treasury, which he ascribed to concealments, yet promised the prisoners their lives. On the same night, however, took place the massacre, for it deserves no other appellation, which has rendered proverbial the black hole of Calcutta. The Europeans, to the number of a hundred and forty-six persons, were, in the most sultry season even of the Bengal year, confined for twelve hours within a cube of eighteen feet, having no outlets, excepting two small windows strongly barred. All but twenty-three perished; and some of these survived only to experience from the Nabob fresh cruelties, inflicted with a view of extorting the secret, as he supposed it, of their hoarded treasure.

The destruction of the settlement of Calcutta, even setting aside the barbarities that accompanied it, was a very unwarrantable act. The title of the Company to this possession, though it did not exclude a qualified submission on their part to

the Nabob, not only existed independently of his will, but was even a better title than that by which Surajah Dowla himself governed. The latter was derived from an usurper who, only six years prior to the capture of Calcutta, had obtained from the Mogul court, then in its decrepitude, a merely titular confirmation of his claims. The rights of the Company flowed from the voluntary grant of the same court, accorded to them half a century before, and during the time of its greatest prosperity.

On the approach of the Nabob to Calcutta, letters had been sent by the government to the presidency of Madras, soliciting the dispatch of an armament to their assistance. Before this request could be complied with, intelligence arrived of the fatal disasters that had ensued. Resentment, compassion, national feeling, all dictated a strong effort to obtain reparation from the Nabob. Notwithstanding, therefore, under the expectation of immediate war with France, the English on the coast could ill spare any considerable proportion of their disposable force, they detached to Bengal nine hundred Europeans, and fifteen hundred Sepoys, all select men, under the command of Colonel Clive. The troops were conveyed by a small squadron of British men of war, which was then on the coast, commanded by Admiral Watson. The squadron sailed in October 1756, and, making their way up the Ganges, an enterprise

difficult to the principal ships from their size, arrived at Calcutta about the end of the year.

To relate the particulars of their movements would be uninteresting; but the object was quickly gained. In a few days, the troops, aided by the fire of the squadron, had reduced Calcutta; and the Nabob, who immediately afterwards marched thither, being thorougly intimidated by an attack made on his camp, acquiesced in a pacification highly honourable for the English. But no confidence could be placed in the stability of the peace. Surajah Dowla, partly from nature, partly, it is said, from the effect of an extremely bad education, was of a character weak and violent to a degree bordering on frenzy. The mixed remembrance of atrocities committed, and humiliation sustained, could only stimulate such a mind to fresh excesses. At present, indeed, he was overawed by the presence of the British force; but a great part of that force would soon be obliged to return to the coast, where its services were much required, and the British interests in Bengal must again be left in a comparatively exposed state.

Besides this, news had just reached India, that the apprehended war between France and England was actually declared. The French settlement of Chandernagore, which was contiguous to that of Calcutta, contained three hundred European soldiers and three hundred sepoys; a force, sufficiently great to be formidable to the British, so soon as

their own numbers should be fewer by the troops about to reimbark for Coromandel. The French, it could not be doubted, would co-operate with the Nabob in any aggressive design against the British; the very prospect of their assistance might probably incite him to such aggression; and, if it did not, direct instigations from the French were not likely to be wanting.

The English, however, though very mistrustful of the Nabob, were not at this time distinctly aware of what afterwards became known, that he was already, in concert with the French, planning future enterprises against their welfare, if not their existence. In the mean time, he delayed from day to day a compliance with the articles of the treaty of Calcutta.

In this juncture, Clive was disposed to resolve all difficulties by an immediate attack on Chandernagore; but, on his shewing demonstrations of his purpose, letters arrived from the Nabob, peremptorily commanding that it might be relinquished. A treaty of neutrality with the government of Chandernagore was next set on foot; but, that government having declared that their compacts would not bind the superior presidency of Pondicherry, Admiral Watson refused his ratification to the treaty. As the only safe alternative, Clive then proposed that Chandernagore should be attacked, in spite of the Nabob's prohibition; but, from this measure, also, Watson recoiled. The admiral, however, did not yet despair of obtain-

ing the permission of Surajah Dowla for the attack; and, what seems surprising, it was at length actually given, but, whether in a moment of fear, or with some insidious design, or from what other motive, does not appear. The permission, indeed, so capricious was the temper of the Nabob, or at least his government, was retracted on the day after it had been sent; but Watson, deeming this proceeding trifling and insolent, would be no longer controuled. Chandernagore, therefore, was invested and taken.

This event neither induced Surajah Dowla to abandon his vindictive purposes, nor provoked him to declare them. But, though perfidious, he could not be discreet, and the general nature of his plans soon became universally understood. Notwithstanding the fall of Chandernagore, the situation of the British settlements was still highly critical; for the resources of the Nabob, however mismanaged, were very considerable, and he was known to be in correspondence with M. Bussy, who then, with distinguished ability, commanded the French forces in the north of the Decan. In this emergence, it was not unnatural that the English should listen to the overtures of the discontented grandees in the court of the Nabob, or that these should seek to interest the English in their projects. In effect, some of the principal officers of Surajah Dowla were, by this time, as much alarmed at the violence, as they were disgusted at the contemptibleness, of his character;

plans for deposing him were formed, and more than one of these were submitted to the English. They closed with that of Meer Jaffier Ali Khan, a person of the highest distinction in the state, and celebrated for his military qualifications. This arrangement led immediately to the famous battle of Plassey,* by the event of which, Meer Jaffier gained the nabobship; and his English allies a large treasure, a portion of territory adjoining to Calcutta, and a considerable influence in the government of the new Nabob.

In the course of the transactions described, some collateral acts were done by the British, which it is impossible not to regret and condemn. An allusion is particularly meant to the deception practised on Omichund, a Gentoo of wealth and influence, whose co-operation was secured by the formal promise of a sum of treasure never intended to be bestowed on him. This fraud, though in some measure provoked by the tergiversations of Omichund, is utterly indefensible; but it formed no necessary part of the plan, even as far as the gaining of Omichund was concerned, for that person had his fair price, and might have been purchased without being deluded. In the communications, also, that passed between the Nabob and the British during the short interval before the execution of the design, a degree of finesse and evasion seems to have been practised by the latter,

* See Orme's History; Parliamentary Reports of 1773, &c.

conformable indeed to the too general conduct o cabinets, and palliated by the known perfidiousness of Surajah Dowla, but yet scarcely reconcilable with the principles of the highest honour and integrity, which would have prescribed a more open conduct, even at somewhat greater expense of danger. These censures, however, do not affect the main transaction; the merits of which must be tried by a solution of the enquiry, whether the war against Surajah Dowla, and the encouragement of a conspiracy among his own followers, were justifiable.

The foregoing plain statement may, it is hoped, contribute to place these questions in a true point of view. That lust of conquest which has so often been imputed to the Company, or to their servants, could, in this crisis at least of their history, have little place. Dreams of empire would have appeared visionary indeed to a handful of men, contending not for greatness, but for their lives and personal liberties; of which the fate may be conceived, had Calcutta once more fallen into the keeping of Surajah Dowla. The means which they adopted of extricating themselves from their danger, did certainly more than succeed; but they were themselves astonished at the completeness and rapidity of the success; and, to say the truth, nothing but an uncommon concurrence of circumstances could have insured to the efforts, even of such a leader as Clive, and of such soldiers as he commanded, an issue so prosperous.

The removal of the Nabob was a measure, which, perhaps, involves considerations less simple than the mere question of war or peace. Interference in the domestic dissensions of a foreign nation, particularly interference in behalf of those that resist constituted authority, is generally, it may be thought, of pernicious example. The quarrel of a subject against his ruler may be just; but foreign states must be imperfect judges of its merits, while, at the same time, every state is, in a selfish view, interested to promote intestine quarrels among its neighbours. On these accounts, the presumption, it may be said, is always against interference. Especially this may appear the case, where the sovereign rebelled against chances to be one with whom the interferring government is connected by plighted relations of amity.

Were the speculative discussion of these points necessary in this place, it might be observed that, if a subject may resist authority, he may seek assistance in the attempt from others; and that what he may lawfully ask, it cannot be very improper to give. To abet the malcontent members of a state with which we are bound by treaty, is certainly a proceeding not lightly to be adopted; yet, after all, it must be remembered that treaties are made, not with a government, but with the nation whom it represents, and that, when this representative character is justly forfeited, all the relations growing out of it must cease. But the circumstance that appears to supersede this discussion, is the known treacherous purpose of Surajah

Dowla, and the danger thence resulting to the British interests. Under a knowledge that the Nabob meditated their ruin, the British could little respect the obligation of the treaty in which he had pledged to them his friendship. Under an idea that their own quarrel was just, because justified by the principle of self-preservation, they were perhaps absolved from so nice an examination into the merits of the cause with which they allied themselves, as might have been required of a gratuitous intermeddler. And, if they erred in these respects, yet men acting in a predicament of danger, may be pardoned for misjudging questions, the decision of which perplexes even the casuist in the unmolested solitude of his cloister.

So much it seemed proper to observe concerning the struggles that attended the first foundation of our empire both in Bengal and on the coast. Those struggles, it must now be remarked, though they began earlier on the coast, led much more rapidly in Bengal to the destined result. Meer Jaffier was established on his musnud in 1757; the final peace on the coast was not concluded till 1763. Before that period, Bengal had become the theatre of another revolution and other wars; the British dominion in that quarter, whether considered as one of territory or of influence, was fast extending itself; and, so soon as 1765, an arrangement took place, which virtually conferred on the presidency of Calcutta the empire of the three provinces of Bengal, Behar, and Orissa. The details of these important trans-

actions will occupy the next division of our history.

The circumstantial minuteness of narrative which is intended, may perhaps be thought unnecessary, and even inexpedient, by many who certainly have formed their own estimate respecting the matters in question from a very broad and general survey. A set of foreign merchants, plunging deeply into the immense and unfathomed abyss of Indian politics; a body of men, who were resident only by the suffrance of the Mogul court and the native viceroys, repeatedly sweeping the three provinces with their victorious armies, creating or overturning princes at their pleasure, and giving law to the empire;—in the course of a very few years, three Nabobs successively deposed, a fourth expelled from his dominions, and the representative of the race of Timour twice driven beyond the frontier of the three provinces by the force of English arms; the rapid expansion, in short, of a comparatively confined possession on the banks of the Hugly, into a territory of vast extent and population; phenomena like these, it may be thought, are too clearly symptomatic of unprincipled ambition, of the savage intoxication of power, of an overbearing rage for conquest, to require elaborate examination. "To what can all "these wrong proceedings be attributed," observed the vizier Sujah Dowla, in an indignant remonstrance which he addressed to the Bengal government during the period under review, "but

"to an absolute disregard for the court, and a "wicked design of seizing the country for your- "selves?"* Of such transactions, it may be thought that the first and the broad impression is the only correct impression. The labyrinth of political events loses its intricacy, only when observed from an eminence. Placed near the surface of affairs of great comprehensiveness and magnitude, the eye becomes confused; and, amidst the local fluctuations and partial resiliency of the current, is unable to collect a steady picture of its general course and bearing.

Even in this large mode of viewing the subject, if the position be allowed to have been satisfactorily proved, that the first step of the Company towards empire was rather forced on them by circumstances than premeditated, there seems no necessity for ascribing their subsequent aggrandizement, with the conflicts and commotions that accompanied it, to any impulse, on their part, of inordinate rapacity or insatiate thirst for blood.

In effect, but one revolution, properly speaking, took place in Bengal, after that by which Surajah Dowla lost his crown; for the event which is sometimes denominated the third, was nothing more than the restoration of a prince before dispossessed. At all events, in countries circumstanced like Bengal at that period, tumult and revolution are occurrences too natural to excite sur-

* Minutes of the Bengal government, 16th April, 1764.—Report of East-India Committee in 1773.

prise. The breaking up of the Mogul empire in Hindostan seems to have been attended by the strangest and most sudden vicissitudes of power, as the periodical breaking up of the monsoons in the same region is attended by the strangest and most sudden vicissitudes of weather. In the single year 1719, Delhi itself was the scene of no fewer than three revolutions, each of which gave a new emperor to the Moguls, and all, it would seem, within the space of as many months. The provinces, both then, and for many years afterwards, exhibited similar instances of the caprice of fortune. When, therefore, the English were, by whatever circumstances, led to concern themselves deeply in the politics of Hindostan, it certainly does not appear inevitably disgraceful to their character, that they did not at once determine the precariousness, and fix the instability, of Indian dominion. In whatever manner we may chuse to account for that precariousness and instability,—whether we resolve it into some necessity in the nature of things, or are content simply to believe that the actual state of affairs during the period in question operated as a temptation to revolutionary projects, or sit down with the still lower supposition that revolution was then in fashion,—there is no great reason to wonder that the English should have felt the common law of that necessity, should have yielded to that general temptation, or should have been seduced by the contagion of that fashion.

Besides these considerations, the striking and just remark of Montesquieu should be remembered, that one revolution commonly lays the seeds of another. If this be one of those fundamental laws that regulate the course of human transactions, then any specific case in which it is actually exemplified may be regarded as no unnatual case.

But these general reflexions, on the one side and on the other, will satisfy no man who is desirous of forming an accurate and impartial opinion on the portion of history now under review. To such reflexions might almost be applied, what has been said of the laws of probability, that, though most certain in general, they are most fallacious in particular. They may, indeed, guide and assist detailed investigation; but they will not supply its place; and, probably, that investigation would serve the purpose better without them, than they without it. For the most contracted bigotry does not so disqualify the mind for the fair exercise of its judicial faculties, as a resolved and dauntless spirit of hypothesis.

By the treaty between the English and the new Nabob, it had been stipulated that the latter should pay a large sum of treasure into the exchequer of Calcutta. The Nabob, at the same time, entered into a non-official agreement that he would compliment with presents of money the individual members of the Calcutta presidency. The sums named in these engagements had been determined

on very false and exaggerated notions of the wealth contained in the treasury of Surajah Dowla; notions, which the event only could dispel. Thus, in the conditions of the alliance between the contracting parties, there seemed to be sown a casual seed of future jealousy and division; but the principle of that alliance was, from its very nature, still more deeply ominous of the same results.

The English guaranteed, by the treaty, the continuance of the new Nabob in power. At the same time, though not by express stipulation, their protection was promised to some other persons of influence in the court of Surajah Dowla, who had co-operated in the proposed revolution, and without whose co-operation, indeed, it could not have been effected. In both ways, the English acquired an evident, though an ill-defined, right of interference in the new government. As protectors of the Nabob, they might claim some controul over the exercise of a power for the existence of which they were responsible. As protectors of some of the most powerful ministers of the Nabob, they necessarily controuled him in the election of his public servants. Their claims in both respects, derived the strongest confirmation from the importance of the service which they had rendered to that prince. The service, indeed, proved greater in act than it had appeared in prospect; for, in the moment of conflict at the decisive battle of Plassey, the troops of Meer Jaffier, who were arrayed under the standard of Surajah Dowla, and

were to have changed sides, hung irresolute; so that, excepting the advantage of their neutrality, the fortune of the day was exclusively due to the prowess of the British.

But neither the irksome weight of obligation under which this signal service laid the one party, nor the rights to which, viewed with its concomitant circumstances, it entitled the other, were at all propitious to the preservation of mutual amity. Still less, when the terms of the relations which should subsist between them were so imperfectly defined. The abuses, besides, habitual in Mahomedan governments, were such as could with no decency be tolerated by a British co-estate, least of all by a power guaranteeing the authority under which they took place. To all this must be added the mistrust and repugnance which would naturally be felt by a Mussulman potentate towards a body of foreigners and of Christians, by an usurper towards the auxiliaries of his rebellion. Such were the grounds that unavoidably subsisted in the very concoction of this alliance, for averseness on the one side, for encroachment on the other, and for suspicion on both.

Whether the state of things described was likely to issue in an open rupture, would depend on accidental circumstances; chiefly, on the individual characters of the persons concerned. A Nabob of great courage and capacity probably would meditate, but would defer to a convenient opportunity the struggle for complete emancipa-

tion; and, in the mean time, would husband both his resentments and his resources. With such a man, however, matters in all likelihood must come to the conflict at last. The hostile feelings of a more infirm and pusillanimous spirit might be expected to evaporate in occasional demonstrations of sullenness, or in ill-concerted schemes of petty dissimulation. The discontent of such a character, it would become the other party to tolerate as a necessary evil;—as an evil, of which theexistence in some degree or other could not be prevented, and which here existed in the least degree possible. Yet it cannot be denied that the dignified forbearance which this sort of toleration would bespeak, is, in the case supposed, of no easy attainment.

Meer Jaffier Ali Khan had, in earlier life, distinguished himself by his talents as a soldier, and had earned, in many a hard fought field, the favour of his master Alaverdi. But either youth and animal vivacity had, on those occasions, supplied the place of mental vigour, or he was one of those secondary geniusses who cannot be great without a leader. He now appeared timid and indecisive; galled, indeed, by the qualifications with which the ascendancy of the British incumbered his authority, yet unequal to a resolute endeavour after freedom. So long, accordingly, as the British interests at his durbar were represented by a practical statesman of such ability as Clive, matters proceeded quietly. Clive, less from can-

dour of disposition, or equableness of temper, than from the effect of long experience in Oriental politics, acting on an extraordinary share of natural good sense, perfectly understood and allowed for the difficulties entailed on the Nabob by his position with respect to the British. At the same time, though this eminent leader was not exactly endowed with what is called a polite address, a rare mixture of sagacity, resource and firmness, rendered him no less expert in the tactics of a court than in the business of war; and the controul which he habitually exercised over the government of the Nabob, was equally gentle and effective.

The occasion on which Jaffier first felt serious dissatisfaction from his British alliance, seems to have occurred within three months after his accession. Desirous of evading or postponing the payment of the monies due to the treasury of Calcutta, and wishing also to displace some of the official persons whose continuance in power both himself and the British had promised, the Nabob endeavoured to gain the concurrence of Clive in these points by individual liberalities towards that chief. Clive, who had neither asked nor stipulated for the presents which he had personally received, inflexibly demanded a fulfilment of the treaty and of the accompanying engagements. This sternness Jaffier secretly resented; and is said, from that moment, to have meditated, though with much faintness and irresolution, the

reduction of the British influence. His first object was to break the power of the Gentoos of opulence, by whose aid he had in no small degree profited in the rebellion against Surajah Dowla, and who were generally attached to the English. Clive distinctly perceived this purpose on the part of the Nabob, and counteracted it with his usual dexterity. Some partial insurrections in the provinces, as well as apprehended invasions from the north, kept the allied armies of Jaffier and Clive for four months in the field. The campaign, in a military view, proved idle, for it proved bloodless; but it was fruitful of political manœuvre; every device being practiced by the Nabob to create a dissension between the British and the Gentoo interests; and the British commander still overcoming or eluding each, without any open or offensive opposition.

Affairs were nearly in the same state, when, in 1759, the son and heir apparent of the Mogul appeared in a hostile position on the frontier of the provinces. The empire now existed scarcely otherwise than in name. Delhi, like ancient Rome in its latter days, seemed to be periodically sacked and plundered by foreign or rebellious armies. The emperor was a state-prisoner to his vizir Ghazi-ud-Dien, the grandson of the famous Nizam-ul-Muluk, a youth only twenty-three years old, gifted with extraordinary parts, but unfortunately already as remarkable for his villainies as for his talents. The imperial prince, or, as his title ran,

the Shah Zadda, had also been imprisoned by Ghazi, and, testifying an inclination to resist, was hemmed up in his own palace by a large body of cavalry. With a spirit worthy the representative of the house of Timour, he resolved on fighting his way through this force, accompanied only by six persons who had attached themselves to his fortunes, and, with the loss of one of his followers, succeeded in this apparently desperate enterprise. His better genius does not seem to have guided his next determination. Having collected some troops, but hopeless of an immediate re-establishment at Delhi, he invaded Behar, with a view, as would appear, of possessing himself of the subahdarry enjoyed by Meer Jaffier. Jaffier, it should be observed, had, early in the preceding year, received the customary recognition of his authority from the court of Delhi. To what extent the validity of his title might be affected by the present armed opposition of the prince, it would possibly perplex jurists to determine. So much is unquestionable, that, throughout the now dismantled empire of Hindostan, there was no single provincial governor who would not, under similar circumstances, have conceived himself justified in resisting force with force.

The army of the Nabob having taken the field, Clive, who was now governor of Bengal, in compliance with the engagements of the English, rapidly joined it with his troops; and the allies drove the enemy beyond the Carumnassa. Du-

ring this short campaign, the prince tendered to the British general any terms which he could require for the Company and for himself, if, relinquishing the alliance with the Nabob, he would attach himself to the royal standard. These offers, added to the splendour of an immediate connexion with the imperial family of Hindostan, were undoubtedly not a little seducive; and an acquiescence in them seems, therefore, to have been not less dictated by ambition, than by sympathy with youthful gallantry, and respect for fallen greatness. Yet Clive rejected them, and, apparently, with the strictest justice. Admitting this to have been a case of dubious title (and this is the utmost that can possibly be admitted in favour of the prince) the safest rule of conduct for the English, was a rigid adherence to their undoubted compact; and a desertion of the Nabob, in such a case, on any but the most irrefragable grounds, would have exposed them to the charges of levity and tergiversation, if not of faithless and unprincipled rapacity.

In the same year, and soon after the close of this campaign, a formidable adversary, not, indeed, to the Nabob, but to the English, appeared from another quarter. The Dutch, transferring to the increasing political power of the English in India, that jealousy which had so frequently sought to oppress their commerce, projected the overthrow of the English establishments and influence in

Bengal. An expedition, consisting of seven ships, with seven hundred Europeans, principally Germans, but commanded by a Frenchman, and eight hundred Malays, was fitted out from Batavia, and, in the month of August, entered the river of Bengal, with the profession of proceeding to the Dutch settlement established at Chinsurah. An expedition, however, of such magnitude, evidently involved some hostile purpose; and, as the Dutch were then at peace with every power in India, and as the force described, though formidable, was inadequate to oppose the united armies of the Nabob and the English, there could scarcely be any rational doubt that the enterprise was both directed against the English, and had been undertaken with the connivance, if not at the suggestion, of the Nabob. Of this suspicion, abundant confirmation appeared in the sequel. The danger, on such a supposition, to the British interests, was of the most serious nature; for the British force had been so greatly weakened by detachments to the coast that the Nabob absolutely held the balance between the two European powers.

Clive, in this emergency, determined to prevent a junction between the Dutch troops and those of the Nabob; and, in the first instance, called on that prince, in conformity with his stipulations of offensive and defensive alliance with the English, to insist on the departure of the Dutch from the river. Jaffier, either embarrassed by this decisive-

ness, or, as Clive himself was of opinion,* having repented of his treacherous designs, now affected extreme displeasure at the conduct of the Dutch, and a cordial co-operation with the English. He acted, however, with no promptitude or vigour; and the Dutch landed their whole force near Calcutta, with the view of marching overland to Chinsurah. Clive was sensible how much he would hazard by commencing hostilities against a nation with whom Great Britian was on terms of peace. He incurred too a peculiar risk from this circumstance, that a great portion of the ample fortune which he had acquired was at the mercy of the Dutch India Company, having been vested in bills drawn on that body.† Yet, knowing, as he himself stated to the House of Commons, that "the fate of Bengal and of the Company depended upon it," he ordered Colonel Ford, an officer of eminent merit, who had lately returned from the Decan, to intercept the march of the Dutch; and, at the same time, dispatched three English Indiamen, equipped for the purpose, to attack the seven Dutch ships. Ford, with three hundred Europeans, eight hundred sepoys, and about a hundred and fifty of the Nabob's cavalry, so entirely discomfited the Dutch force, that, of the Europeans, all but fourteen were killed or made prisoners. The English Indiamen, though

* See his examination before the Committee of the House of Commons.

† Vide ibid.

the Dutch vessels were manned with three times their own number, captured six of them; and the seventh was taken lower down the river. The Dutch governor and council of Chinsurah afterwards made their submission. They also consented, on a restoration of the ships and effects captured, to reimburse the English for the expenses incurred in this affair, and, in behalf of their own Company, entered into new treaties of amity both with the English and with the Nabob, by which provisions were made against the recurrence of similar occasions of jealousy.

Colonel Clive left Bengal for England in February 1760, and was provisionally succeeded in the government of the presidency by Mr. Holwell. At this very period, the dominions of the Nabob were again menaced with invasion from the interior; and Clive, previously to his departure, had taken what precautions were within his power against that event. Early in the year, a Mahratta army entered the region of Burdwan; and, about the same time, the Shah Zadda, now become, under the name of Shah Aulum, titular Mogul, for his father had been assassinated by the young vizier, re-appeared on the frontier of Behar.

Against the Mahrattas, the Nabob in person led an army, partly composed of British troops. His movements, however, were not happily directed, and the campaign in this quarter proved unsuccessful. Burdwan fell a prey to the enemy; and the payment of some assignments which had been

granted upon it to the British government, on which payment depended the current service of the year, was stopped.

The Mogul was opposed by a British army under Colonel Caillaud, in conjunction with a force belonging to the Nabob, and under the command of his eldest son Mheran, a savage and untractable youth of twenty. The operations of Colonel Caillaud sustained considerable impediments from the incapacity of his coadjutor. The Mogul, though defeated near Patna, escaped into the south-west districts of Bengal, where, through the remissness of the Nabob himself, he effected a junction with the Mahratta general who had invaded Burdwan. He was soon, however, compelled to retreat into Behar. Being here joined by a small body of fugitive French under M. Law, he laid siege to Patna, but was obliged by a British detachment to abandon his purpose. The detachment then opposed the governor of the district of Purnea, who, though subject to the Nabob, sought, with a considerable armament, to join the Mogul. The defeat of the governor induced the Mogul, yet unsubdued, to withdraw northward. The Purnean rebel, at the same time, retired to his own mountains, whither he was followed by the British troops and the young Nabob; but the latter, whilst asleep in his tent on the 20th of July, was struck dead by a flash of lightning; and this event, with the setting-in of the rains, put a close to the campaign,

The effect of the transactions which have been related was in no small degree unpropitious to the united interests of the British and the Nabob. The armies, indeed, of the former had in no instance failed to exhibit their accustomed valour and dexterity, but, having been feebly or unskilfully seconded, had not met with their accustomed and their merited success. Invasions barely repelled, and insurrections scarcely crushed, occasioned to the allied cause much loss of reputation, which was loss of power. In truth, invaders were still hovering on the frontier; and several of the dependent governments either discovered unequivocal symptoms of disaffection, or at least maintained but an ambiguous allegiance. The resources of the subahdarry, in part destroyed by the devastations of war, and partly diverted by rebellion, yielded a very impoverished supply to the exchequer. The only countries of which the revenues could be realized, were those eastward of the Ganges, and, even of these, Purnea was to be excepted. While, however, the finances of the Nabob were thus declining, his exigencies were in a greater proportion increasing. His own troops had become mutinous for want of pay. He was, at the same time, in arrear to the British army; the provinces mortgaged to us were little, if at all, productive; and the presidency of Madras, then engaged in a critical conflict with the French, urgently solicited assist-

tance from that of Bengal, which also had to provide an investment for Europe. Stimulated by these various necessities, the Bengal government used the most pressing instances with the Nabob for the discharge of the large balance due to them and still unliquidated.

Jaffier, perhaps at no time altogether equal to the administration of a government still new, unsettled, and agitated by plots, was overwhelmed by the death of his son. Mheran had been his principal minister and counsellor; and, however destitute of every other qualification for that station, possessed at least the merit of undeviating filial fidelity. The Nabob, besides, had no other son, excepting of very tender years; and the presence of a person arrived at maturity, and acknowledged as his legitimate heir, had operated as a safeguard, not only to the state against intrigues respecting the succession, but to himself against attempts on his life or authority. The absence also of Clive, at this juncture, was a serious evil; not so much on account of his superior talents, which yet may be said without any disparagement to the other members of the Bengal government, as on account of the influence which he had acquired both with the Nabob and with the natives in general. After the Dutch affair, indeed, the Nabob on no occasion discovered any disaffection towards the English alliance, beyond that vague reluctance and petty self-will inseparable from his

situation.* Yet he had yielded, to the commanding ability and paramount authority of Clive, a deference which, even had Mr. Holwell possessed the same pre-eminence of mind with his predecessor, the inferior importance of his office as a mere inter-regent would have prevented him from gaining. This natural change of feeling on the part of the prince, Holwell perceived, and appears to have resented.

Amidst these difficulties, the idea appears first to have been entertained by some members of the Bengal government, of that measure which has since become so memorable,—a second revolution; that is, of the supersession of the reigning Nabob by some efficient substitute. The governor, indeed, Mr. Holwell, seems always to have entertained the most unfavourable opinion of Jaffier. His correspondence, immediately on his accession to the government, with several public functionaries, abounds in heavy accusations against the Nabob; and, in a letter written by him only three months after to Colonel Caillaud, then in command of the army, the necessity of a revolution is plainly intimated. The idea, however, was not carried into effect, till after the arrival of Mr. Vansittart, who had been appointed the regular successor of

* In a memorial, dated the 4th August, 1760, Mr. Holwell accuses the Nabob of a secret correspondence with the Shah Zadda; but no sufficient proof was ever offered of this allegation; and, after all, the nature of the correspondence in question would remain dubious.

Clive; and the accomplishment of it constituted the first important act of the administration of that person. Before any reflexions are offered on the character of the proceeding, it will be proper briefly to describe the circumstances with which it was attended.

Mr. Vansittart took possession of his government in August 1760. The affair of the proposed change almost immediately became a matter of discussion, not with the governor and council, but with the governor and select committee, who consisted of a part of the council, and whom the Directors had authorized to conduct transactions requiring secresy. In September, a treaty was privately made at Calcutta, between the select committee and Meer Cossim Ali Khan, the son-in-law and general of the Nabob; of which the outline was, that Cossim, under the title of Dewan or deputy to the Nabob, should be placed in virtual possession of the nabobship, and that he should cede to the English, for the disbursement of the pay of their army, the districts of Burdwan, Midnapore, and Chittagong. At the same time when Cossim Ali signed these articles, he pressed on the gentlemen of the select committee the acceptance of a personal present of two millions of rupees; alleging that, if his bounty were declined, he could not consider them as his friends. The governor, however, with the concurrence of the committee, informed the general, that he had mistaken the motives of their conduct, that they

would enter into no personal stipulations whatever, but that, if after the complete settlement of the affairs of the country, the restoration of its finances, and the discharge of the balance due both to the Company and to the troops of the Nabob, he should find it convenient to acknowledge their services, they would accept the marks of his friendship.*

Within a month after the conclusion of this agreement, the governor, accompanied by Colonel Caillaud with a detachment of soldiers and sepoys, repaired to Moorshedabad, where the Nabob resided. The detachment, however, remained at Cossimbazar, on the opposite side of the river, while successive interviews took place between the Governor and the Nabob. In these, particularly in the last of them, Mr. Vansittart, as he himself has related,† set before the Nabob "the bad management of his ministers, the miseries and universal disaffection of the country, and the desperate state of his as well as the Company's affairs." He urged the necessity of an immediate reform, and exhorted him, if himself inadequate to the task, to appoint for the performance of it some capable person from among the number of his own relations. The Governor proceeds to state that the Nabob pronounced Cossim Ali, of all his relations,

* Examination before the Select Committee.

† Memorial setting forth the Causes of the late Change in the Subahship of Bengal, Fort William, 10th November, 1760.

the fittest person for the execution of such an undertaking, but discovered so much jealousy respecting that chief, as to make it manifest that "he never would consent, without some sort of "force, to give the other the means of restoring "order to his affairs." On the next night but one, accordingly, the palace was silently beset by the detachment under Colonel Caillaud, in conjunction with Cossim Ali and his followers. The Nabob, exasperated, at first threatened resistance; but, being absolutely under duress, at length surrendered his authority to Cossim Ali. The retention of the nominal sovereignty, which was proposed to him, he instantly rejected, declaring that, in that case, his personal safety would be in continual danger from his successor, and earnestly soliciting an asylum at Calcutta. This request was granted; when, believing, and perhaps with reason,* that, even for one night, his life was insecure in Moorshedabad, he embarked with his women for Calcutta, sleeping the first night in his boats under the protection of the British detachment.

* The account of this affair, as given by the dissenting members of council, states that Cossim Ali was desirous of making the assassination of his father-in-law the first act of his power, and was much disappointed on finding that his intended victim was to be protected at Calcutta. See Letter from six Members of the Bengal Council to the Secret Committee of Directors; dated 11th March, 1762. But the writers were prejudiced witnesses.

This revolution had at least the merit of being effected without bloodshed or tumult. It excited, however, when known, violent dissensions in the Bengal council; several of whom addressed the Court of Directors in a memorial strongly protesting against the transaction, which they described as the fruit of intrigue and corruption. The ground of this last allegation was the implied agreement which had passed between the new Nabob and the select committee, that the former should, at his future convenience, present the members of the committee with large sums of money. Certainly, those presents were afterwards bestowed; and it seems that Cossim Ali would have extended his munificence even to the dissenting members of the council, but they declined the compliment.

Those, meantime, who had been the chief agents of the revolution, exerted themselves in its defense. In this view, they insisted, in part, on the discredit which the mal-administration of Jaffier necessarily cast on his British allies; but still more on the dangers to which it immediately subjected both the British interests and those of his own realm. They enumerated the vices of his character; tyranny, cruelty, jealousy, avarice, indolence, and openness to low adulation. They particularly expatiated on his barbarity in having wantonly sacrificed, as they represented, a number of lives; especially, those of the mother, widow,

and daughters of Surajah Dowla, of the widow and adopted son of a deceased son of Alverdi, and of various other persons high in rank or office. They pointed out the actual effects of his character and misgovernment; the distracted state of his affairs, the desolated condition of the country, the mutinous disposition of his troops; and all this at a period when two foreign armies menaced the provinces with instant invasion. They dwelt also, though with less emphasis, on his secret aversion to the English alliance. Lastly, they repelled with indignation the charge, that their own conduct in the affair of the revolution had been influenced rather by a corrupt inclination towards the gifts of Cossim Ali, than by an honest regard for the public service.*

The circumstance which forms the matter of the charge last-mentioned, has thrown an odium over this whole proceeding scarcely consistent with an impartial inquiry into its real merits. Deserved as that odium may at first view appear, perhaps reflexion will shew that there is little or no probability in the suspicion out of which it arises. In the times under review, the principal persons in the Bengal government were possessed of many easier avenues to irregular emolument than the troublesome, hazardous, and, it may be added,

* Memorial setting forth the Causes, &c.—Vansittart's Narrative.—Examinations of Col. Caillaud, Mr. Sumner, &c. before the Committee of the Commons.

public road of a general revolution. Let us pass in silence their opportunities of interference, more or less clandestinely, in the home-trade of the country; yet their vast influence over the natives, and their close connexion with the court of the Nabob, in which interest was systematically bought and sold, opened to them private and comparatively safe sources of gain to a far greater extent than the donations of Cossim Ali. Even the protesting memorialists, who insinuate that Mr. Vansittart and his coadjutors acted from venal motives, make more than one statement somewhat adverse to their own insinuation. They state that "Mr. Vansittart, and others of the "projectors, *made no secret* that there was a pre"sent promised them by Cossim Ali." They state, and probably with strict truth, that the old Nabob, on condition that he might retain his situation, offered half as much again as the amount, whatever it might be, of the present so promised. The event, then, must have made it appear likely to the Nabob, and may make it appear likely to us, that the English agents in the revolution were not led by a corrupt principle. The memorialists also state, that they themselves had repeatedly received pecuniary offers from Cossim Ali, subsequently to his advancement. In effect, the distribution of largesses is perfectly habitual in an Asiatic court; nor, after all that has been said of the venality or rapacity of the early Anglo-Indians, can there be any doubt that

most, if not all, of them declined many more presents than they accepted.*

In connexion with these considerations, it must be remarked that the act itself, for which these improper motives are assigned, seems to require no such explanation. If the allegations urged by the select committee against the Nabob were true, it appears to have been no very unnatural opinion that a change should take place in the government; and certainly there was considerable truth in many or most of those allegations. It was true that the state of the country was wretched and its danger great, and that both the one and the other arose, in no small degree, from the mal-administration of the Nabob. It was true, not only that the Nabob felt the alliance of the English irksome, but that, in the true spirit of an Indian politician†,

* See Col. Caillaud's examination.

† In 1738, Nizam ul Muluk, and two other omrahs of high rank, finding themselves unable to maintain their influence at the imperial court, invited Nadir Shah to invade Hindostan, in the hope of profiting by the consequent confusion. Two years afterwards, Nizam ul Muluk, being detained at Delhi, incited the Mahrattas to invade the Carnatic, though subject to himself as Subahdar, in order to humble the nabob of that province. Of this last invasion, a somewhat different account is given by Colonel Wilks (South of India, chap. vii.); but, at all events, the prevalence of such a story, (and it is related by Mr. Orme,) illustrates the subject of the present note. The imperial court itself encouraged the Mahrattas to invade Bengal, with the object of dispossessing Alaverdi on his usurpation. In 1750, also,

he had invited the Dutch to invade their possessions. The removal, then, of this prince, whether on the whole justifiable or not, did not want sufficient colour of reason.

To the benefit of this defence the governor is peculiarly entitled. He had served the Company on the coast, and, with high reputation for integrity and ability, had been appointed to the presidency of Bengal. He was acquainted with the practices of Asiatic courts; and, even had he possessed the most venal mind, yet, in the contemplation of a residence of some years in Bengal, prudence would rather have induced him to look for some less observed method of gratifying his love of gain. At the same time, his recent arrival might, in some views, very naturally render him less adverse to the revolution. The dangers of the settlement would strike him with great force, while the season in which they could have been warded off, or provided against by measures of gentle and gradual policy, might seem past. Habituated also to the decorum maintained by Mahomed Ali, the Nabob of the Carnatic, and the comparative pro-

the Emperor Aulumgeer, in order to rid himself of the tyrannical influence of his vizier Ghazi, invited Abdalla to invade the empire with his Afghans. Lord Clive says, "if you allow him "(the Nabob) a full treasury without forces, he will certainly "make use of it to invite the Mahrattas, or other powers, to "invade the country."—Letter to the Directors, dated "Cal-"cutta, 30th September, 1765.'

bity and dignity of his character,* Mr. Vansittart might view with aggravated contempt or dislike the less erect conduct and less princely habits of Meer Jaffier.

Much, then, may be said in favour of the views with which the revolution was effected. It is a distinct question whether those who effected it judged well; and a question on which it does not seem equally easy to support the Calcutta government. On the contrary, the most candid deliberation will perhaps lead to the opinion, that the transaction in question, though well-intentioned, was most unfortunate. The heads of the considerations from which this opinion is deduced shall be concisely mentioned.

The averments of fact by which the removal of the reigning Nabob was justified, were, in a considerable degree, as has already been observed, well-founded. It does not, however, thence follow that, so far as those statements respected matters not immediately open to the cognizance of the Calcutta government, they might not be exaggerated or even false. On the contrary, they will, to this extent, incur considerable suspicion, when we reflect on the strong interests that must have been at work to undermine the estimation of Jaffier with the British, and when we consider that

* Lord Clive calls Mahomed Ali, "the best Mussulman he "ever knew." Ibid.

the accused was never put on his defense. This remark is not purely conjectural; for it afterwards appeared that, with regard to the blackest of the charges alluded to, with regard to that which most deeply and disgracefully implicated the personal character of the Nabob, the committee had been grossly deceived. Of the imputed atrocities which the members of the committee, with a natural and perhaps a pardonable study of effect, had been accustomed to range in the foreground of their accusations against the Nabob, it appeared that none had been committed by that prince himself, and that the greater part in number, and by far the worst in degree, had not been committed at all. This fact is thus announced in a dispatch to the Court of Directors from a subsequent Calcutta government; "In justice to the "memory of the late Nabob Meer Jaffier, we "think it incumbent on us to acquaint you, that "the horrible massacres wherewith he is charged "by Mr. Holwell, in his "Address to the Pro- "prietors of East-India Stock," (page 46), "are cruel aspersions on the character of that "prince, which have not the least foundation in "truth. The several persons there affirmed, and "who have been generally thought to have been "murdered by his order, are all now living, ex- "cept two, who were put to death by Mheran, "without the Nabob's consent or knowledge; "and it is with additional satisfaction we can as-

" sure you, that they were lately released from " confinement by the present Subah."* It should be observed that the two persons here described as having been put to death by Mheran, were officers of state; so that the detestable butchery of women and children, ascribed to the Nabob, took place no where, excepting in the belief of the Calcutta government and the calumnies of their informants. But this example of easy credence, on the part of that government, with relation to a matter of such importance, as it is little demonstrative of their caution or candour, so may warrant considerable scepticism respecting some of the other charges urged by them against the Nabob.

Even allowing, however, that those charges were scrupulously guarded against over statement, the vices and disorders which they fastened on the administration of the Nabob, must be estimated by an Asiatic standard, not judged with European eyes. In whatever practical view those vices and disorders were regarded,—whether with reference to the unpopularity incurred, on account of them, by the Nabob and the British,—or to the degree in which they affected the fitness of the country, in point of strength and resources, for a contest with any of its neighbours,—or to the chance of an im-

* Letter from the Select Committee of Bengal, dated the 30th December 1765.

proved administration under a successor,—or to what, perhaps, hardly concerned the Calcutta government, the personal guilt of the Nabob,—under any or all of these aspects, those vices and disorders should always have been compared with the average, whatever it might be, of political virtue and efficiency in the states of Hindostan. In the time, however, of Meer Jaffier, it is notorious that, throughout all the scattered, and as it were, merely palpitating members of the mutilated empire of Delhi, great mal-administration prevailed, that tyranny and barbarity were tolerated to a degree which, in Europe, would have seemed enormous, and, in particular, that assassination might almost be said to have become the natural death of public men. On this head, some very sensible reflexions occur in the letter, already referred to, of the dissenting members of the Calcutta government. "Such is the state of politics (the writers "observe,) in every Asiatic court, that, through "the apprehensions of the sovereign, and the in-"trigues and artifices of the great men about him, "instances of cruelty and oppression are but too "frequent; and even the most beloved among "them are too much to be taxed with com-"mitting, or at least conniving at, acts of vio-"lence; but it should be considered that many of "these are done by persons in power without their "knowledge, and that, as there are no regular "punishments for criminals of station, and who

" may be so powerful that it would be dangerous
" proceeding openly against them, recourse is
" often had to the dagger or poison to punish the
" guilty."

After due allowance made for the considerations which have been suggested, so far as there yet remained, under the government of the Nabob, malpractices and disorders to be accounted for, those evils may be attributed to two causes; of which it is easy to shew that the existence of the one was necessary, and the operation of the other on the whole favourable. These were, the peculiar situation of the Nabob, as an usurper and a dependent; and the weakness of his personal character.

As an usurpation, the government of Jaffier could not but be attended by some of those intrigues, animosities, and proscriptions, which are naturally engendered in the ferment of a rapid revolution; but it was still more open to disorder, from its dependence on the officious protection of a powerful and punctilious ally. A system of authority imperfectly divided, must always be prolific of reciprocal jealousy. A system of responsibility imperfectly defined, must ever be fertile of abuse. While the reliance of the Nabob on the support of the British would render him ostentatious of his power and indifferent to his duties, his impatience of their superiority might be expected to call forth in his mind the bitter feelings and vindictive purposes of suspicion and hate. These effects could not indeed be exactly simultaneous,

but they would be compatible; and both must evidently lead to misgovernment and disturbance.

Under an energetic and determined character, indeed, supposing such to have been that of the Nabob, a part of the evils described could not, in the first instance, exist. However jealous of dictation, such a person would reserve his vengeance. However regardless of the happiness of his subjects, he would be cautious of alienating their affections and dissipating their political strength. He would not, amidst a puerile reliance on the protection of the British, hazard a dilapidation of the resources on which he must ultimately rely for an escape from their controul. Yet this policy would be of advantage to his dominions only for a season. It must at length issue in all the calamities of a sanguinary conflict between the British power and the native ruler; calamities, incomparably greater than any that irresolution or effeminacy of mind on the part of the latter could possibly produce. The weakness of Jaffier, therefore, was a circumstance favourable to the continuance of the British influence, and to that of the general tranquillity.

It thus appears that the evils attached to the administration of Meer Jaffier, so far as they might be thought peculiar, either were inevitable, or were preventive of worse. It appears also that those worse evils might be expected to arise under a more able government. Even in this view, then, alone, the effect of the revolution was to

augment the dangers of which it had been resorted to as the remedy; but the truth is, that it augmented those dangers in a much greater proportion than has been described. For it must be remembered that the new Nabob did not simply occupy, as it were, the vacancy left by the former. His was an usurpation, founded on the downfal of a former usurper, and a dependency, formed by the exclusion of a former dependent. The instability of the nabobship of Bengal was now fully exposed; and it seemed plain that he who attained that office must primarily exert himself, either to secure by any means a continuance in it, or to make advantage of it while it should last. Whatever jealousy, besides, of the British alliance had been felt by Meer Jaffier, necessarily descended in double measure to Cossim Ali, who had derived his dignity from hands that might seem yet overflowing with the bounties of his predecessor. The very circumstances of his elevation appeared to read him an emphatic lesson, that the protection of the British was as precarious as their authority was stern. Taught at once the value of their friendship, and the weight of their power, he was under the strongest inducements to render himself, at whatever expense, independent of both.

By the revolution, it may farther be remarked that the British government incurred, not only considerable dangers, but much odium. In fact, the connexion with Jaffier never could have re-

dounded so greatly to their discredit, as the abrupt and violent dissolution of that connexion. The constancy and activity with which they had hitherto supported his pretensions, had inspired all the potentates of Hindostan with that profound respect, which inflexible steadiness of purpose never fails to command, even where it is undignified by the accompaniment of principle. Those states now perceived that the system was changed; and they knew not why. What might be the defects of the internal polity of Meer Jaffier, few of them could have the curiosity to ask, or the opportunity to ascertain; but the downfal of that prince was an event palpable to all. "How is it," said the Nabob of Oude, Sujah Dowla, to the governor and council of Calcutta, "that you turn out and establish nabobs at pleasure, "without the consent of the imperial court?"

For the reasons which have been assigned, it seems difficult to approve of this revolution. The commencement, however, of the new administration was attended with some auspicious circumstances. The Mogul again appeared in arms in the Behar province, accompanied by a detachment of seventy Frenchmen, under M. Law, and by the forces of some tributary rajahs of Behar, which, together with his own, composed a body of ten thousand horse and ten thousand infantry. The British army was now commanded by Major Carnac, who, on the 15th of January 1761, entirely unsupported by the troops of the Nabob, attacked

and defeated the enemy, making the French detachment prisoners. The pursuit being continued on the next day, the vanquished army dispersed. The Mogul, now surrendering himself to the British commander, renewed those overtures of friendship which he had already often tendered to the British, proposing, as the price of their alliance, to confer on the Company the Dewannee of Bengal, or to grant any other terms that might be required. The government of Calcutta were well inclined to the proposed connexion, and no member of it better than Major Carnac; but they conceived themselves debarred by their engagements with the Nabob. The British commander, however, entertained the Emperor for some time with great respect, and then escorted him to the northern boundary of the provinces, whence his Majesty proceeded to Oude. While these transactions were taking place, other divisions of the British army reduced the Zemindars who had rebelled in the south-western quarters of Behar and Bengal; and, by the month of February, not an enemy remained in the three provinces.

Invasion and revolt had, in no small degree, contributed to involve the administration of Meer Jaffier in the difficulties under which it had laboured. By the victories of the British arms, these evils were now chased away; and this change of fortune, though not the work of the new government, nor in any manner the result of the

revolution, eminently served to accredit both the one and the other.

But the removal of enemies common to the Nabob and his British allies, only created leisure for mutual discords. Cossim Ali had too active and intelligent a mind, not to be thoroughly alive to all those irritating reflexions, which his situation, as has already been shewn, tended to awaken. What is curious, the very virtues of the members of the British government were calculated to aggravate the gloomy nature of those reflexions. It was notorious that many individuals of the Council had condemned the revolution as a breach of subsisting engagements, and these persons pertinaciously declined the presents with which the new Nabob would have purchased their good will. They were regarded, consequently, by Cossim Ali as his enemies; and the British alliance, from its involving so much of hostile feeling, seemed to him the more worthy of mistrust. His insecurity also, as it was somewhat increased in fact, so, probably, was much increased in his own apprehension, by the circumstance that the deposed Nabob not only had obtained from the humanity of the British, personal safety and a convenient asylum, but resided at the very seat and under the immediate eye of the Calcutta government.

Notwithstanding these feelings, and though Cossim Ali was able and a man of business, it would seem as if he was of too timid a nature

gratuitously to meditate a bold struggle for independence. Yet he early took measures which it is difficult to interpret in any other manner than as contingent precautions against the necessity of such a proceeding. Dismissing the troops who had served under his predecessor, he, at considerable expense, formed and disciplined a new and powerful army, officered chiefly by Moguls. Of this measure, as the British were pledged to the protection of the country, the object could not but be suspicious. He, at the same time, instituted, in various parts of his dominions, manufactories of firelocks, and with great pains collected an excellect train of artillery. He removed the seat of his own residence from Moorshedabad to Monghir, a fortified place, farther distant, by two hundred miles, from Calcutta, and so situated as to command the communication between the provinces of Behar and Bengal; and this place he strengthened with additional works. Above all, he laboured to improve the state of his treasury, collecting, with great diligence, an exorbitantly enhanced revenue.

The difficulty and delicacy of the circumstances in which the Nabob and the British government were now mutually placed, peculiarly demanded the exercise of judgment and discretion on the part of the latter. Unfortunately, the very same circumstances rendered the exercise of such judgment and discretion peculiarly difficult to many members of that government. Totally disapprov-

ing the revolution, and highly incensed against the select committee and the new Nabob, who were the authors of it, the opposing members of council had yet expressed their resolution that no part of their subsequent proceedings with respect to the Nabob should take any colour of unfavourableness from their declared disapprobation of the measures which had exalted him to the musnud. No probable reason can be given for doubting the sincerity of this profession; but it was one not easy of fulfilment amidst the irritating agitations of a discordant political body. The members alluded to entirely dissented from the views on which Mr. Vansittart had proceeded in forming the connexion with the new Nabob. They believed, also, that the Nabob would ever be doubtful of a fidelity which had in vain been plighted to his predecessor. Under this double prejudice, they regarded the acts of their governor with evident jealousy, those of the Nabob with equally manifest suspicion; and it is notorious that the apprehensions, both of jealousy and of suspicion, where they are discovered, tend to verify themselves.

The operation of these various feelings on both sides soon produced visible effects.

Ramnarrain, the vice-nabob of Behar, had rendered himself obnoxious to the Nabob, by his delay, as was alleged, or evasion, in the remittance of the revenues of that province. Other motives, however, are assigned for the dislike which he had

incurred; how truly, it is hard to say. He had acquired great wealth; and it was the policy of the Nabob to amass wealth as much as possible. He was strongly attached to the English, to whom indeed he owed his dignity, having been guaranteed in office by Clive soon after the accession of Meer Jaffier; and his rank, opulence, and ability, conferred on his friendship a great value. Early in the year 1761, Cossim Ali repaired to Patna, where Ramnarrain held his residence, with a professed view of calling that officer to account. The vice-nabob first solicited the protection of Major Carnac, who then commanded the British army at Patna, and soon afterwards that of the celebrated Colonel Eyre Coote, who had superseded Carnac.

Both these officers were men of the most honorable minds, but of tempers somewhat warm. They had, besides, condemned the elevation of Cossim Ali; and this circumstance the Nabob knew. They now urged, however, with some reason, that the British honor had been committed on the protection of Ramnarrain, by an act prior to the treaty with Cossim Ali; and they refused to permit the dismissal of the vice-nabob from his station. They likewise tendered to both sides the British mediation. Perhaps they would have done well if, while they protected Ramnarrain, they had, by peremptory means, enforced on him the production of his accounts. The British could not intend to guarantee in his office any subordinate functionary of a government which likewise they

guaranteed, excepting while he should discharge his duty. Insuring the one party against the displeasure of his master, they were bound to insure the other against the disobedience of his servant.

The Nabob resented the pertinacity of the British officers; and not the less, when some large presents of money, with which he attempted to win their friendship, were peremptorily rejected. The dispute was aggravated by mutual jealousy, and fomented by the impertinent or malignant officiousness of interested natives; till, at length, the complaints of Cossim induced the Governor of Calcutta, and the majority of his council, to recal Colonel Coote and Major Carnac, together with a great part of the army. Ramnarrain was, in effect, delivered up to the Nabob; yet not without earnest solicitations on the part of the Calcutta government, that he might be treated with lenity. The Nabob, however, though he spared the life of his victim, deprived him of his riches, and threw him into confinement. This transaction, on the whole, greatly augmented the political strength of Cossim Ali.

Differences of a still more serious nature shortly arose, on a ground altogether distinct.

The *phirmaun* or grant which, as has been related in the first chapter, the Company had obtained from the Mogul court in 1717, and which was, in fact, considered as their great charter, conferred on their trade the privilege of an entire exemption from the payment of customs in the provinces of

Bengal, Behar, and Orissa. This exemption attached to all goods passing through the country under the *dustuck* or passport of the Company. The dustuck, therefore, was permitted to cover, in their transit through the country, not merely merchandizes belonging to the Company, but also such goods of export or import as belonged to individuals in their service who were concerned in the maritime trade between the countries washed by the Indian ocean. The English were disposed, however, to put a still larger construction on their patent. The Company had abandoned the inland or home trade of the country to their servants. By the servants it was contended that the patent included the inland no less than the maritime trade, and that the dustuck ought to shelter, not only private articles in transit to or from the sea coast, but also those in circulation within the provinces. The terms of the grant are, perhaps, of sufficient extent to bear this construction, but they cannot have been so intended;* and, in effect, by the Nabob then governing Bengal, Mahomet Jaffier, the construction was wholly disallowed and resisted. British individuals, accordingly, were deterred from any considerable inter-

* Orme relates, it does not appear on what authority, that the imperial minister, by whose good offices chiefly the phirmaun had been obtained, expressly disclaimed the construction in question.—Hist. book vi.

ference in the inland trade by the exactions to which it was subject.

The treaty formed with Surajah Dowla in 1757, and, in commercial points, confirmed by those made with his successors at their respective accessions, secured to the Company all the immunities granted by the imperial phirmaun. It stipulated also, that "all goods, belonging to the English "Company, and having their dustuck, should pass "freely, by land or water, in Bengal, Behar, and "Orissa, without paying any duty or fees of any "kind whatsoever." Possibly this provision might be intended only as a paraphrase of the imperial grant; but the words are of the largest and most unqualified kind, and might without force be considered as fully bestowing on the Company that immunity which the phirmaun, in the acceptation at least of the provincial governors, had hitherto withheld. When, therefore, on the prosperous consummation of the first revolution, the increased wealth and influence of the servants of the Company both induced and enabled them to embark in various lines of the inland trade, they claimed the right of trading duty-free, with the exception (and this they but doubtfully conceded) of some few branches of traffic which it had been customary with the country government to place under peculiar restrictions. Their participation in the country trade was still farther increased by the treaty with Cossim Ali, which gave

them an increase of territory; and with it they discovered an increased inclination to interpret their privileges with the utmost possible latitude.

In addition to the commercial rights before mentioned, the phirmaun had invested the Company with other powers highly important to their commerce. The officers of the native government were to compel the payment of debts owing to them from the traders or weavers of the country, to protect against oppression the native agents in their employ, and to deliver up to them any of their servants who, being indebted to them, should have run away. The phirmaun also exempted the agents and servants of the Company from certain fines usually levied by the native police for intoxication, or other petty misdemeanours. On these advantages, as on the rest, the English, in the course of time, presumed. They deduced from the phirmaun a privilege of enforcing justice, purely by their own authority, over all the natives in their regular employ, and, at the same time, of protecting those natives from the judicial cognizance of the native courts. These claims were plainly excessive; but they originated in a well warranted distrust of the public officers, whether fiscal or judicial, employed by the native government.

The exemption of Europeans from duties paid by the native inland merchants gave the former, to the extent of their means and capital, a mono-

poly which was not less invidious than it appeared unjust. At the same time, the state suffered from that exemption, in the diminished amount of its receipts. Still greater evils, however, flowed, not necessarily perhaps, yet in point of fact, from the union of privilege and power which the British possessed, as being in a great measure free, on the one hand, from the charge of customs, on the other, from the authority of the native tribunals in commercial matters. The numerous natives whom they employed as their agents, or, according to the style of the country, as their *gomastahs*, in the district trade, presuming on the rights and the general ascendancy of the British name, treated the officers of the Nabob with insolence, and the people with injustice and oppression. In the vicinity of the seat of government, or of any of the British factories, this abuse was considerably checked. In remote quarters, it broke out into the utmost licentiousness, and, bad as it was, opened the way for an abuse still worse. This was, that many natives, wholly unconnected with the British, availed themselves of a pretended privilege. Marching or navigating through the districts, preceded by the English flag, and accompanied by bodies of retainers in the sepoy habit, they with impunity committed outrages on a population too timid and ignorant to challenge the ostensible ensigns of an authority held in the most profound reverence.

These disorders were in existence when Cossim Ali ascended the musnud; and he could not but contemplate them with great dissatisfaction, as injurious, both to his dignity, and to one main resource of his dignity, his revenue. Immediately as he found himself firm in his government, he seems to have determined on the abolition of those inland immunities from which the disorders referred to had taken their rise. The resolution was natural, and appears also to have been just. Yet, as the use of the immunities had notoriously been tolerated under the preceding administration, as it wanted not the apparent sanction of ancient and esteemed charters, and as it deeply implicated the personal interests of several British gentlemen, the projected measure required great delicacy of management. It should have been the result of an understanding with the British government; and, at all events, so much delay was necessary as might suffice for the winding up of existing concerns. Cossim Ali, however, after a few complaints, but without any distinct notice of his purpose, issued instructions to his officers, disallowing the protecting influence of the dustuck with respect to the inland trade. It appears, also, that he recalled licences granted by himself, permitting individual Europeans to trade in the commodities generally interdicted. The orders issued by him to this effect were executed with so much rigour, that even the old and legitimate trade of the Com-

pany became involved in vexatious scrutinies and obstructions.

Even viewed in itself, this measure wore an aspect of decision and authority, which, to many members of the Calcutta council, could not, in their present temper, be very agreeable. But it was by no means a merely barren insult. The suddenness of the blow proved, to not a few of the British gentlemen, extremely detrimental; to some, it is said, all but ruinous. The pre-existing jealousies were inflamed into rage; and loud complaints assailed the presidency from the different factories.

Mr. Vansittart perceived the necessity of a strenuous endeavour to adjust, once for all, this complicated and painful subject, and imagined that he could best effect his object by means of a personal interview with the Nabob. In this idea the council acquiesced, but at the same time withheld from him the power of definitively binding them by any treaty which he should negotiate. The governor, therefore, accompanied by Mr. Hastings, repaired to the new residence of the Nabob at Monghir, in December 1762. The result of the visit was a provisional treaty, commonly known under the name of the Monghir treaty. By this instrument it was conceded, that the authority of the passport should be confined to the trade of export or import, and that, in the inland trade, the British should no longer possess any exclusive privilege.

At the same time, the rate of the duties chargeable on British goods was expressly fixed, and at what seemed to Messrs. Vansittart and Hastings a moderate amount. It was farther conceded that the gomastahs, or native agents, of the English, should be deprived of the judicial power, as well as the privilege of person, which they had enjoyed or assumed, and that, in future, they should, when aggrieved, prefer their suit, and when themselves complained of, should be amenable, to the native magistrates of the country.

These concessions appear to have been in themselves just; but it could scarcely be expected that they would find a sanction in the irritated feelings of the council: and, in effect, the provisional treaty, although vindicated by Mr. Vansittart in dispatches written with equal temper and ability, was rejected by the majority of that body.

The Nabob had been very distinctly apprised that the engagements contracted by the governor were invalid until ratified by the board at Calcutta. Even had the treaty been definitively settled, some interval should have been allowed for the termination of the traffic of which it prohibited the continuance; yet no sooner had it received the signature of Mr. Vansittart at Monghir, than Cossim Ali put it into full execution. Orders, conformable to its provisions, were dispatched in every direction, and, like the similar injunctions before issued, were obeyed with unsparing exactness. In-

deed, the officers of the Nabob appear to have persuaded themselves that the downfal of the English ascendancy, and the unqualified triumph of the Mussulman standard, were at hand. With what insolence some of these ministers demeaned themselves on the occasion, may appear from the manner in which Mahomed Ali, a distinguished individual of their number, addresses one of his subordinates on the subject of the Europeans engaged in trade at Luckipoor. "It behoves you, "with the utmost dispatch, to repair thither immediately, and blockade the passages for going "in and coming out on all sides of Luckipoor, "and that a soul does not escape. Of those who "claim the English protection and make use of "their name, take two or three and crucify them, "and seize their houses and effects. Lay hold "of their wives and children, and send them "straightway to me. Be sure not to fail in this "respect, His Excellency having honoured me "with his orders to this purpose." The writer afterwards adds, "You will take extraordinary "good care of the Europeans at Luckipoor, that "they get no intelligence from any of their dependents, either by land or water; and for security, you will send two hundred men, with "a commander whom you can rely upon, and direct them, above all things, to be ready for action both night and day."*

* Letter from Mahommed Ali, Vansitt. Nar. Vol. iii. p. 137.

When the new and aggravated complaints which these fresh vexations inevitably excited reached Calcutta, the members of council stationed in that city, deeming the attendance of a full board requisite, summoned to their assistance the chiefs of the subordinate factories. By the general assembly thus formed, it was resolved that a deputation of their number, consisting of Messrs. Amyatt and Hay, should wait on the Nabob. They were formally to represent that the provisional treaty was disapproved by the council, and therefore void. They were to assert, on the part of the Company and their servants, the right, by the imperial phirmaun, to a complete immunity from duties; but to admit, as a matter of favour to the Nabob, a small impost on salt. They were also to propose certain other conditions, with a view of composing the existing disputes.

Before this deputation could leave Calcutta, intelligence arrived that the Nabob, whom the presidency had already informed by letter of the rescission of the treaty, had resorted to a new step for the accomplishment of his main object. He had abolished, throughout the provinces, the payment of all customs for two years. The consequence of this act was, that even the privileges enjoyed with respect to articles of foreign consumption, whether by the servants of the Company or by the Company themselves, were virtually annihilated. Those privileges, however,

were of unquestioned antiquity; both the original acquisition and the subsequent confirmations of them had not been obtained without the return of valuable equivalents; and they chiefly subsisted at the expense, rather of other foreign residents, than of the natives, who have always been notoriously disinclined to the personal prosecution of foreign commerce. The Nabob had before intimated to Mr. Vansittart that this might be an expedient measure, and had been dissuaded from it by that gentleman. His recourse to it, at the period under consideration, without previous notice or conference, was, at the best, a very intemperate proceeding; and it provoked conduct equally intemperate on the part of the council, the deputation being instructed not to negotiate respecting the measure, but peremptorily to demand that it might be revoked.

While Messrs. Amyatt and Hay were yet on their journey to Monghir, the animosities between the two governments underwent farther aggravation. The British, having long in vain solicited the Nabob for redress against the intolerable oppressions, or rather hostilities, committed by his officer Mahomed Ali, whose name has already been mentioned, resolved to treat that person as an enemy. He was, therefore, conducted to Calcutta under arrest; and this circumstance excited the indignation of the Nabob. On the other hand, the Nabob had summoned to Monghir, and confined in that city, Juggutseet and his brother,

two Hindoo bankers of the first credit and opulence, who had long been distinguished for their attachment to the English. To these men, Cossim Ali professed no enmity; but affected a desire of profiting by their counsel in matters of government; a plea, by which no man could be deceived.

Besides these causes of contention, others arose from the jealousies between the English factory and troops at Patna, and the forces of the Nabob stationed in the fort of that city. It will be observed that Patna is about a hundred miles beyond Monghir, being at the distance of three hundred and forty from Calcutta. Mr. Ellis, the chief of the factory, having disapproved of the revolution, was considered by the Nabob as an enemy, and had been, probably on that account, treated by him with slight. The resentment, perhaps, which this treatment had excited in a very irascible mind, acting on strong previous suspicions, rendered the chief credulous of every report or surmise to the disadvantage of the Nabob. Mr. Vansittart, indeed, deliberately ascribes to Mr. Ellis a formed design of effecting a breach between Cossim Ali and the Calcutta council. It is not easy to divine any rational motive which could suggest such a plan to Mr. Ellis; but, if he really formed it, he had ample reason, in the sequel, to repent his officiousness. The Nabob, in the mean time, and the officer who commanded his forces at Patna, seem fully to have returned the dislike and prejudice of Mr. Ellis. The feelings of the

chief and of the native commander extended themselves to their respective dependents, between whom every day produced fresh scenes of wrangling and disturbance.

The deputies, having arrived at Monghir, were admitted to an interview with the Nabob on the 15th of May, 1763; and this conference was followed by others, in the course of which they fully explained the views and demands of the Calcutta government. How far, at this period, Cossim Ali definitively expected or meditated a speedy rupture with the British, cannot be known. The prospect, however, of peace, did not as yet seem desperate. The language of the Nabob, though at once evasive and resentful, appears to have discovered more of an unmanaged and indeterminate peevishness than of an ominous reserve. On the other side, Mr. Amyatt, the principal deputy, is allowed, even by his political adversaries, to have possessed a mild and moderate mind;* and, although, at the outset, the deputies held a strain sufficiently peremptory, they somewhat softened from their sternness in the course of the negotiation.

At this period an occurrence took place which may perhaps be numbered among those trivial accidents that, in critical and nicely balanced conjunctures, frequently produce a powerful effect on human affairs. Some boats, which had been dis-

* Vansitt. Narr. Vol. iii. p. 195.

patched from the presidency two months before, with arms for the British force at Patna, appeared passing by Monghir. The coincidence of these indications of equipment with the jealousy which the Nabob entertained of the Patna force, fevered his mind almost past hope of recovery. In spite of the earnest and reiterated expostulations of Mr. Amyatt, he detained the arms. He now insisted also, as a preliminary to farther negotiation, that the Patna army should be removed, either to the seat of his own residence, or to Calcutta, and that all the other Brirish detachments stationed in the country should likewise be withdrawn. In one of his letters, indeed, he intimated a willingness to accept, as an alternative, the recal of Mr. Ellis from Patna, and the substitution of some more moderate chief. But his general tone was firm and without exception; steadily demanding the removal of the army as the first step to a restoration of friendship.

For the council to concede this point, in their present uncertainty respecting the designs of the Nabob, was hardly practicable; but, what seems to have been still more unfortunate, the very demand converted that uncertainty into a conviction of the worst. Messrs. Amyatt and Hay themselves signified to the presidency that Cossim Ali had manifestly resolved on war. The whole country now breathed confused sounds of approaching tumult, havoc, and change. No rumour, however preposterous, could be circulated respecting the in-

tentions of either party, which was not eagerly believed by the other; and every imperfect or incipient appearance of conciliation was exultingly noted only as a detected effort at gaining time.

The position of the factory and army at Patna was somewhat critical; for Monghir exactly intercepted their communication with Calcutta. The gentlemen, therefore, of the factory, had earnestly solicited from the presidency, a discretional authority to seize the fort whenever they should perceive hostilities to be actually commencing. Otherwise, as they alleged, both the army and the factory might be destroyed by the Nabob; or, even if the army should retire and be able to make head, numbers of British, whom sickness or other impediments confined to the town, would be left to the mercy of the hostile troops. The presidency accordingly, but under the dissent of the governor and Mr. Hastings, armed the factory with the required power.

In the midst of these fears and preparations, and to the surprise of the British, the Nabob, on the 19th of June, consented to release the boats of arms, and invited a renewal of negotiation. How far the invitation was sincere cannot easily be determined; but it does not seem improbable that the Nabob really wavered. The prospect of peace, however, proved only momentary. The evident demonstrations, Cossim Ali declared, of a hostile purpose on the part of the British force at Patna, changed his intention; and what was known of

the intemperance and rashness of the proceedings of Mr. Ellis gave sufficient plausibility to this account. He, therefore, persisted in the detention of the arms, but permitted Mr. Amyatt, under a safe conduct, to leave Monghir for Calcutta, while Mr. Hay was retained professedly as a hostage for the safety of such of his own officers as were in the hands of the British. At the same time, he moved some reinforcements to Patna; but he made no declaration of war.

The dismissal of Mr. Amyatt had been announced by the Nabob, but had scarcely taken place, when hostilities commenced. In the night of the 24th of June, the British troops at Patna entered and took possession of the fort by surprise. This proceeding, the gentlemen who immediately directed it were never afterwards in a situation to explain. It was probably adopted under the idea that war had virtually been declared, and that the safety of the troops depended on their anticipating attack; but neither the one consideration nor the other seems effectually to screen it against severe reprehension. Self-preservation, though the first, is not the only law of nature, and can be allowed an exclusive jurisdiction only in the last extremity. That the British at Patna were reduced to a position of this nature, does not appear. The strength of the detachment gave them a fair security against utter defeat, and would probably, at the worst, sustain them till the arrival of assistance. There was no reason to

believe that the British confined in the town would undergo any worse fate than the lot, common to war, of a temporary imprisonment. Under any circumstances, however, except of palpable necessity, the measure was plainly calculated to produce the utmost mischief. It tended to legitimate the previous suspicions of the Nabob, however unwarranted. It afforded at least a pretext for accusations against the English, not only of aggression but of treachery. Yet it derives some palliation, like the other unfortunate acts committed on both sides during this quarrel, from the common state of difficulty and excitement in which the parties were placed; and, whatever discredit it might throw on the English cause, Cossim Ali, by his subsequent violences, effectually transferred to his own.

On the noon of the day after the seizure of the fort of Patna, the British troops being dispersed through the town, the fort was in turn surprised by those of the Nabob. The gentlemen of the factory, and the remains of the British army, retired across the Ganges; but were pursued, and destroyed or taken prisoners, Mr. Ellis being in the number of the latter. The news of this event quickly flew to Calcutta; and, indeed, the Nabob himself announced it to the presidency, in a letter replete with the bitterest expressions of sarcasm and scorn. "When I requested of you (he said) "two or three hundred muskets laden in boats, "you would not consent to it. This unhappy

"man (Mr. Ellis), in consequence of his inward "friendship, favoured me, in this fray and slaugh-"ter, with all the muskets and cannon of his "army, and is himself relieved and eased from "his burthen."

About the same time with this annunciation, arrived intelligence of a still more painful nature. Mr. Amyatt, on his journey to Calcutta, was attacked near Moorshedabad by a force belonging to the Nabob, and, together with several of the gentlemen and servants that formed his suite, barbarously murdered. It appeared also that the factory at Cossimbazar was invested by a body of troops; and, in effect, the place was taken before it could be relieved, and the gentlemen attached to it carried prisoners to Monghir. Cossim Ali afterwards affected to disown the murder of Mr. Amyatt; but his concern in it is incontestably proved by many circumstances, and not least by the subsequent impunity of the persons who, being in his service, had thus atrociously violated a safe-conduct granted by himself. Indeed Mr. Vansittart allows that the act came from the Nabob, and, with great appearance of probability, supposes it to have been committed in retaliation for the surprise of Patna by Mr. Ellis. It was an act, however, which evidently tended to preclude all accommodation between the two governments.

The first accounts of actual war had suggested to the council the propriety of a restoration of the ex-nabob, Meer Jaffier, to the dignity from which

he had been, as the majority of them thought, unjustly degraded. Considerable progress had already been made in the preliminaries to the fulfilment of this resolution; and the cruelties of which Cossim Ali was guilty induced the Board to proclaim their purpose without delay. As a condition of his reinstatement, Meer Jaffier consented to cede to the Company the districts, already granted them by Cossim, of Burdwan, Midnapore, and Chittagong; and also to accord to them those commercial privileges which Cossim had withheld, or rather withdrawn. It does not appear that any presents were promised by Jaffier on this occasion, or were afterwards given.

On the 7th July 1763, Meer Jaffier was proclaimed Subahdar of the three provinces; and, on the following day, this proclamation received the signatures of the governor and Mr. Hastings, both of whom had hitherto declined to participate in the restitution of the ex-nabob. The British government also declared war against Cossim Ali.

Although the government had adopted some precautionary measures against the contingency of a rupture with Cossim Ali, they commenced the war under great disadvantages. The disaster at Patna had deprived them of a considerable portion of their force; they were deficient in money, draught-bullocks, boats, and other articles of equipment; and the prevalence of the periodical rains, which had now set in, rendered the march-

ing of troops extremely difficult. The treasures of Cossim Ali were full; and his army not only superior, in point of discipline and equipment, to most Indian armies,* but also flushed with the success of its first operations. Yet the military history of India records no campaign which was more uniformly victorious on the part of the British, than that which ensued.

On the 19th of July, the British force, commanded by Major Adams, and consisting of about seven hundred Europeans and between two and three thousand Sepoys, totally defeated a large body of the enemy under one of the generals of Cossim Ali, half way between Calcutta and Moorshedabad. On the 24th, they stormed some entrenchments erected near Moorshedabad, and gained possession of that city, together with fifty pieces of cannon. Still rapidly advancing, they, on the 2d of August, encountered, on the plain of Geriah near the Cossimbazar river, the whole of the hostile force then subsisting in the lower part of Bengal. It was composed of about fifteen thousand black cavalry and ten thousand regularly disciplined Sepoys, with seventeen pieces of cannon, worked by a hundred and seventy Europeans. After an obstinate contest of four hours, in which the fortune of the enemy seemed at first to prevail, they were completely routed, abandon-

* See Major William Grant's evidence before the Committee of the House of Commons in 1773.

ing their cannon and a hundred and fifty boats laden with grain and stores. By the 11th, Major Adams, whose ultimate object was to proceed against Cossim Ali himself, then in the Behar province, had reached the fort of Oudanulla, situated between the chain of Rajamahal hills and the Ganges, a place difficult of access by nature, and defended by a hundred pieces of cannon. Having amused the enemy by false approaches, Major Adams, in spite of an obstinate resistance, stormed the fort on the 5th of September, possessing himself of the cannon of the enemy, and making prisoners a thousand of their cavalry.

Cossim Ali was now at Monghir, whence, as from an eminence, he beheld the ruin of his fortunes, in the destruction of his armies, and the exaltation of a hated rival. Monghir, indeed, possessed uncommon advantages in point of strength; yet it could furnish, he perceived, no effectual barrier against the disciplined valour of the British troops, under the enterprising and able conduct of their commander. Flight, therefore, seemed the only remaining resource; but he resolved, before his departure, to darken and embitter that triumph which he could not prevent. Cossim Ali, for a native of Hindostan, had in no instance incurred the imputation of a cruel or sanguinary temper, until passion, perhaps, rather than malignity, hurried him into the murder of Mr. Amyatt. But accumulated resentments, ruined ambition, and extinguished hope, appear now to

have involved his mind in a darkness which, laying asleep every better feeling, left it open only to the ravages of ferocity and revenge. In prison at Monghir, there were still those unfortunate Hindoos who had incurred his marked indignation by their friendship towards the English. These he resolved on sacrificing to his own evil fate. Rajah Ramnarrain, therefore, with ten of his relatives, some of them persons of distinction, was publicly put to death. With him was joined another Hindoo, equally eminent, Rajabullub, once the favoured competitor of Ramnarrain at court, but whom similar jealousies (as it seems probable) had devoted to the same confinement. The two Seets, the bankers before mentioned, were also murdered, and their bodies exposed to beasts and birds of prey, under a guard, lest they should be burned according to the rites of the Hindoo religion. Having perpetrated these barbarities, the Nabob fled to Patna.

The power of consummating a still more terrible tragedy yet remained. From Patna, Cossim Ali, on the 9th of September, dispatched a letter to Major Adams, then on his march towards Monghir, containing, among others, the following expressions. "If you are resolved to proceed in "this business, know for a certainty that I will "cut off the heads of Mr. Ellis and the rest of "your chiefs, and send them to you." The British prisoners at this time in his hands consisted of fifty gentlemen, civil and military, and a hundred

persons of lower rank. The communication might be designed only to intimidate; yet Major Adams, on the receipt of it, conveyed a letter to Messrs. Ellis and Hay, earnestly entreating that they would, at any price, purchase their liberty from their keepers. Whatever errors those gentlemen might previously have committed in the course of these affairs, whatever selfishness or precipitancy they might have evinced, their magnanimity in this severe exigence redeemed. In answer to the British commander, they signified that their escape was impossible, but at the same time desired him on no account to suspend the progress of the British arms, as they were perfectly resigned to their fate. Major Adams, however, and likewise Mr. Vansittart, to whom the dispatch of the Nabob had been transmitted from the army, immediately addressed Cossim Ali in letters deprecatory of the threatened cruelty; each using such language as he deemed most likely to prove effectual: the civil chief, that of the most solemn and forcible remonstrance; the soldier, that of the most dreadful menaces.

Menace and remonstrance were alike lost on the unhearing madness of revenge and despair. On the 5th of October, 1763, the threatened massacre took place, the immediate perpetration of it being delegated by Cossim Ali to Sumroo, a German, who had deserted the British service for that of the Nabob. This ruffian surrounded with an armed force the house in which the Europeans were confined. Messrs. Ellis, Hay, Lushington,

and six other gentlemen, were selected as the first victims, and, being conducted into a little outer square, were in the most inhuman manner mangled and cut into pieces, after which their remains were promiscuously cast into a well. Next, the main body of the Europeans was collected in a larger square; and the sepoys, having fired at them, rushed in on them and cut them into pieces with every circumstance of cruelty. Then they also were thrown into a well. The only person spared was Mr. Fullarton, a surgeon, who, possibly, owed his life to the respect entertained for his profession. Six days afterwards, seven other gentlemen, who had been confined separately from the rest, were in their turn butchered like their brethren.

The British army gained possession of Monghir, in the beginning of October, by capitulation; and of Patna, on the 6th of November, by storm. Some weeks before the latter event, Cossim Ali had, like an evil demon, taken flight from the scene of his atrocities. Early in the following month, he escaped into the dominions of Sujah Dowla, the Nabob of Oude, carrying with him the shattered remnants of his army, and a sum of treasure which, in money and jewels, is reported to have exceeded the value of two millions sterling. Not an individual now remained for him in arms, throughout the three provinces.

Such seems the impartial account of the event which has been called the third revolution effected by the English in Bengal; although, if phraseo-

logy of that sort must be applied to it, it might rather take the name of a counter-revolution. From the account given, it may perhaps appear that, though all parties were to blame in the transaction, yet, excepting perhaps the seizure of Patna by Mr. Ellis, and the terrible retaliatory measures of Cossim Ali, none were to blame severely. Their errors were those of men acting under great difficulties, but with no very culpable intention. It may appear farther that, while the probability of this third revolution was unavoidably involved in the occurrence of the second, the authors of the second are not therefore to be weighed down with the responsibility of the third. For the former change was effected by one party in the British government; the latter, so far as the suspicions and irritability of the Calcutta council led the way to it, by another. The unfortunate result of the exaltation of Cossim Ali was certainly a natural result; yet it might, perhaps, have been prevented, had the subsequent transactions of the British government with that prince been conducted by the uncontrouled management of the distinguished persons who placed him on the musnud. The uncommon good sense, indeed, as well as the moderation and the liberality, evinced by Mr. Vansittart during those transactions, seem fully to have expiated the original fault of changing the government, a fault into which he had probably been betrayed by a too easy acquiescence in the views of his provisional predecessor. On the

other hand, while we condemn the more vulgar tempers and qualities exhibited by most of his associates, we must, notwithstanding, allow that these persons had very properly dissented from the governor with regard to the original measure. On the whole, it may surely be said, that this is such a mixed case as the political history of the world very ordinarily exemplifies.

The expulsion of Cossim Ali Khan took place in 1763. Previously to that period, the consequence of the Company had received an accession from two events which, as yet, there has been no opportunity of mentioning.

The first of these was the acquisition of a degree of political power in Surat by the presidency of Bombay. It had been the policy of the Mogul court to maintain two distinct delegates in the city of Surat; the one, ruling the city and adjoining district, with the title of nabob; the other, holding the government of the castle, and the command of a fleet maintained for the protection of the coast against pirates. During the declining days of the empire, Surat had its share of tumult and revolution. Both the civil government, and that of the castle, underwent desultory changes; the contiguity of two authorities, separate but ill-defined, augmenting the confusion in various ways. Amidst these troubles, it is not surprising that the assistance of the English should occasionally have been solicited by one or other of the contending parties. The Bombay presidency,

however, did not materially interfere till the year 1758-9; when the inhabitants of Surat, oppressed by Siddee Ahmed Khan,* the governor of the castle, made common cause with Pharis Khan, a person who aspired to the nabobship of the city. The English, having themselves received some injuries from the Siddee, for which no redress could be obtained either from him or the Nabob, acceded to this alliance. An expedition was set on foot, which terminated in a compromise. Mayendeen Khan, the ruling nabob, retained his situation, accepting Pharis Khan for his *naib* or deputy; and the Siddee resigned the government of the castle and the fleet to the English, whose possession was confirmed by the court of Delhi.†

The other circumstance alluded to, was an expedition fitted out from Madras, in 1762, against the Philippine islands, as belonging to Spain, who had then allied herself with France, and was at war with Great Britain. The immediate interest of the Company in this enterprise was the security of their China trade. They had, at the same time, a national interest in the extension of the national power and reputation. The land-forces employed on the occasion, were composed both of the King's and the Company's troops;

* For an account of the Siddees, see Orme's Historical Fragments.

† For a full account of these transactions, see some curious documents among the papers ordered to be printed by the House of Commons, on the 14th July, 1806.

the transports and stores supplied by the Company. The conquest was achieved, but not till after great difficulties, nor without a determined resistance on the part of the Spaniards.

The same year which witnessed the expulsion of Cossim Ali from the three provinces, also produced, in Europe, a pacification between England on the one hand, and France, with her allies, on the other. This year may, on both accounts, be regarded as constituting an epoch equally brilliant and important, in the annals of the English India Company. By the treaty of pacification, indeed, conquests unknown to the parties at the time when it was made were mutually to be restored; and unfortunately, the Philippines fell within this proviso. By the treaty also, France, whose recent acquisitions and ancient possessions in the East-Indies, had alike been wrested from her by the sword of the English India Company, was restored to the factories of which she had been mistress at the beginning of the year 1749. With these exceptions, however, all was gain on the part of England, and loss on that of her enemies. The French renounced any pretensions to the territories which they had recently acquired on the coasts of Coromandel and Orissa. They engaged that they would neither erect fortifications, nor maintain troops, in the subah of Bengal. They acknowledged Mahomed Ali Khan as lawful nabob of the Carnatic. The English sacrificed, of the territory which they had gained in the East,

but a small part, and, of the influence, none. They retained unimpaired their authority at the courts of the Carnatic and Bengal. They retained, in addition to their old settlements, ports, and privileges, the newly acquired possessions of the circar of Masulipatam and its dependent districts, all conquered from the French; also of the castle of Surat, of the jaghire or territory around Madras, of the Calcutta zemindarry, and of the districts of Burdwan, Midnapore, and Chittagong, all obtained by cession.

Thus terminated a contest which had been commenced by the ambition and ability of the Indo-Gallic statesmen, in quest of territorial dominion and political ascendancy. By reducing the English India Company to the necessity of defensive conquest, and by compelling into intense exertion all the resources, whether mental or material, which this Company could command, the French leaders only forced on a rival power that greatness which they wished to establish in its overthrow. In framing the treaty, France confirmed this state of things; she, at the same moment, therefore, drew a tomb-stone over the frustrated schemes of her own rapacity, and erected a triumphal arch to the glory of England. The result, however, was not more glorious to the English nation than to the English India Company. Against means apparently superior to their own, for such were those of France in India, and those means under the direction of profound poli-

ticians and eminent captains, for Dupleix surely belonged to the former class, and La Bourdonnais and Bussy to both, the English Company, little assisted, in land operations, by the nation, had yet struggled with unabated constancy for a nearly uninterrupted space of eighteen years. At the end of this period, they had acquired, for themselves and for their country, not only extensive reputation, but the evident rudiments, or rather the infant form, of a vast empire.

The greater acquisitions of dominion which had been made under the presidency of Bengal, henceforth render that quarter of British India the most conspicuous object to the Indian historian; and, to that quarter, the present narrative must return, and, for a while, be confined.

In the pursuit of Cossim Ali, the British army reached the conterminous frontier of the territories of Bengal and Oude. The fugitive prince had taken refuge in the court of Sujah Dowla, the Nabob of Oude, otherwise called the Nabob Vizier; which, at the same time, harboured a more illustrious exile, the young Mogul. This monarch, on his departure from our provinces, had found protection, rather in the policy than in the generosity of Sujah Dowla; and, although ornamented with the name and ensigns of empire, enjoyed little more of the substance than amounted to bare personal liberty.

The British camp now became the scene of complicated and intriguing negotiations. The

Nabob Vizier professed an inclination to treat with the British government, but resisted a compliance with the preliminary condition insisted on by that government, which was the surrender of Cossim Ali and the assassin Sumroo. The Mogul renewed his overtures of friendship, so often repeated, so often rejected, in the hope of obtaining an independent establishment. Cossim Ali did not venture on negotiation; but he employed emissaries both in the provinces and in the British army, with the view, partly, of maintaining some interest in the one and in the other, partly of giving himself importance in the eyes of his new protector. In the mean while, it was suspected that the Nabob Meer Jaffier, desirous of a more substantial authority than he possessed, held a separate correspondence both with the Mogul and with the Vizier; and even some of his ministers, it is thought, pursued, on private account, the same course. On the other hand, the Rajah of Benares, who was a tributary of Oude, privately proffered his allegiance, on certain terms, to the British power.

Amidst these entanglements, the army continued in a state of unfortunate inaction. Discontents pervaded the soldiery, who had been disappointed of some pecuniary donations promised to them by the Nabob. These discontents, fed by leisure, and fomented by the intrigues of Cossim Ali, if not, also, of Sujah Dowla, found, perhaps, some cause of aggravation in the circumstance

that the army was now merely under provisional and less able command. Major Adams, immediately on the close of that campaign, during which his evident talents and prosperous fortune had infused no less respect and confidence into the minds of his followers than awe into those of his enemies, had retired to Calcutta, where, in a few days, he fell a victim to ill health. Dissatisfaction at length ripened into mutiny, and almost into revolt, both among the European troops, of whom the greatest offenders were foreigners, and among the natives.

Encouraged by the appearance of disunion in the British force, Sujah Dowla, who had already collected an army on the frontier of Oude, determined on hostility; and he was joined by the Rajah of Benares, whose previous disaffection either had been pretended, or had now ceased. In the March, however, of the year 1764, Major Carnac took the command of the army, and having, by some severe examples of military punishment, at least limited the prevalence of insubordination, repulsed the Vizier in an obstinate engagement fought near Patna, on the 3d of May. Sujah Dowla then recurred to negotiation, which the adherence of the British to their former preliminary again rendered abortive. Yet Carnac continued, as he had begun, on the defensive; till the earnest desire of the Calcutta government induced him to carry the war into Oude. On this new course of procedure he was entering with his

wonted success, when he was superseded by Major Munro, who, with some reinforcements, had recently arrived from Bombay.

Major Munro, finding the army still infected with a spirit of mutiny and desertion, had recourse to some inflictions, necessary perhaps, yet of terrible severity. In one morning, four and twenty sepoys were blown away from the mouths of cannon. It is curious that some grenadiers, who were among these sufferers, urged their title to the post of honour, and, on that ground, claimed the privilege of being blown away first; a wish, in which they were indulged. The rigorous proceedings of the commander produced the desired effect. Discipline was restored; and Munro marched to attack the enemy on the frontier. The challenge being accepted with alacrity, a battle, celebrated in Eastern history, took place at Buxar, on the 23d of October, 1764. After an arduous contest of three hours, the army of the Vizier, though prodigiously superior in numbers, retired in disorder, leaving on the field a hundred and thirty-three pieces of cannon, and blowing up some of their powder magazines. They retreated over a small river by a bridge of boats, which, however, they had not all crossed, when Sujah Dowla directed the bridge to be destroyed. By this act of generalship, he sacrificed, indeed, the rear division of his army, which, to the number of two thousand persons, was drowned; but he saved his main body from certain destruc-

tion, and, at the same time, preserved from capture the immense treasures of Cossim Ali as well as his own.

On the following day, the Mogul, who had taken no share in the battle, solicited from the British commander the protection of the Company. His proposals on the subject were forwarded to the government of Calcutta; while, without awaiting the result, the emperor, attended only by a petty escort, but with the imperial standard of Hindostan displayed, approached the British camp, and followed its marches. The reply of the government was favourable, probably, beyond his most sanguine wishes. It promised him the possession of the territories of Oude, so soon as they should be conquered; but only on condition of his reimbursing the expenses which the service should have cost the Company from the date of the alliance. It was happy that the Company were allowed a future opportunity of revising this compact, of which the exceptionableness will hereafter be exposed.

On the part of Sujah Dowla, the war had commenced aggressively; it was now reduced to a struggle for existence. He again negotiated, offering vast private presents to the British commander; yet, with honourable fidelity, refusing the surrender of Cossim Ali, although he professed himself ready to procure the assassination of Sumroo. In this resolution he persevered,

while the British, under Munro, and, on the retirement of Munro, under Sir Robert Fletcher, overran his dominions. Retaining his treasures, however, he could still find allies. A Mahratta chief, named Mulhar Row, armed in his support a considerable force; but this new enemy was, in May 1765, totally discomfited and driven back by Carnac, who had now resumed the command of the British troops, with the rank of brigadier-general.

During the period of this campaign, the native government of Bengal underwent a change. The Nabob Meer Jaffier died in January 1765, and was succeeded by his son Nudjum ud Dowla. In some views, this occurrence is important, and will, in a future page, be considered; but it produced no sensible effect on the operations of the war in Oude.

The character of Sujah Dowla, although not exempt from the usual Asiatic defects, stood, at this period at least, in high consideration throughout Hindostan. This distinction he seems to have attained, less on account of his personal courage, martial figure, and expertness in manly exercises, than of his talents, spirit, and affability. His fame, besides had been established at the battle of Paniput, fought between the Hindoos and Mussulmans for the empire of India, on which occasion this prince shared, during the action, the praise of valour with the rest of the Mussulman

leaders, and distinguished himself from them all, after the victory, by that of humanity.* Under the reverse which he now experienced, in the prime of life and of ambition, he displayed a magnanimity worthy of his fame. The cause was lost. Dismissing, therefore, Cossim Ali and Sumroo, who took refuge in the upper India, he voluntarily repaired to the British camp, and surrendered himself to the General; as if he would put to the proof the generosity of those whom he had felt his superiors in arms. This conduct did honour to the British and to himself. He was, perhaps, however, encouraged to adopt it by some recent occurrences of importance, which the course of this sketch will shortly bring before the reader. Ere those occurrences can be related, the scene of the narrative must be changed.

One of the consequences of the first revolution in Bengal, was a considerable degree of collision between the servants of the Company principally concerned in that transaction, and the leading managers of the society in this country. Of that revolution the Court of Directors approved; but, respecting some proceedings connected with it, delivered themselves in terms of authoritative reproof. Hitherto the communications, however

* See an account of the battle of Paniput, by Casi Raja Pundit: Asiatic Researches, Vol. iii. art. 5. It must be observed that Sujah Dowla lived to forfeit this character for humanity.

harshly toned, of the Company had been received by their servants abroad with submissiveness. But the actors in the recent scenes of Bengal, feeling, and possibly overrating, both the importance of their achievements and the merit of their services, resented censures which appeared to them at once imperious and unjust. Shortly before the departure of Colonel Clive for Europe, the council of Calcutta, with the governor at their head, had addressed the Directors on this subject in the language of free and even indignant remonstrance. For this address, all the members of council, who yet remained in India, were dismissed. Other senior servants, at the same time, were superseded, perhaps arbitrarily and injudiciously, by gentlemen from the presidencies on the coast; and some retired in disgust. The ex-servants, however, possessed influence and connexion in the Court of Proprietors; and thus there was laid, in the proprietory, a foundation for violent party combats.

The second revolution, with the troubles of which it was the occasion, aggravated these quarrels. The divisions which that event occasioned in the government of Calcutta were conveyed across the ocean to the body of the Company at home, where they commixed or identified themselves with the divisions already subsisting.

Besides the conflicting prejudices which thus formed correspondent parties in England and in the East-Indies, there was a common prejudice

which actuated the purely English portion of the Company, in contradistinction to that portion of it which partly consisted, and partly fell under the influence, of the Indian servants. The sudden opulence of those servants, derived from sources unknown or unopened to their masters; the succession of revolutions which they appeared to direct, and amidst which they evidently rode superior; the aggrandizement of the Indo-British state, rapid as the spread of a conflagration; these wonders, viewed through that medium of imperfect information which at once magnifies objects and obscures them, excited a deep attention and various feelings. They presented a confused image of splendour and disorder, which equally roused the fears of the timid, the jealousies of the mean, the selfish suspicions of the interested, and the honest indignation of the virtuous. All these passions or emotions operated in thickening the battle which agitated the East-India proprietory.

The contentions in question would be worthy of record, were it merely for this one effect which they produced, that they first drew on the system of the Company the inspecting notice of parliament and of the nation, and thus paved the way for the establishment of that effective controul which is now exercised over Indian transactions by legislative authority and public opinion. They are here mentioned, however, rather for the sake of the important measure to which they immediately led. At the earnest request of the pro-

prietors in 1764, Colonel Clive, now dignified with a peerage, consented to revisit Bengal in the capacity of governor, for the express purpose of restoring order to the affairs in that quarter, both foreign and domestic. A select committee, with full powers, was nominated to accompany him, partly composed of old servants; and he was assured of a fair support at home, which indeed the decisive preponderance of the interest that had selected him placed beyond doubt. The second administration of this distinguished statesman, although less brilliant than the first, is in many views, if possible, still more interesting. It should be observed that he commenced it with a resolution of not increasing by it his private fortune to the value of "a single sixpence."

Lord Clive, with the select committee, arrived at Calcutta early in May, 1765. He without delay addressed himself to the accomplishment of the objects for which he had been appointed; the regulation of the Indo-British affairs, both with respect to their domestic situation, with reference to the allied government of the Nabob, and, lastly, in their purely and properly foreign relations. Circumstances, however, determined the order in which the several points included in this arrangement became the immediate subjects of his attention.

At Madras, where he touched on his passage, Lord Clive was informed of the death of the Nabob. On his arrival in the Ganges, he found that

the Calcutta government had elevated to the vacant musnud Nudjum ud Dowla, a youth of twenty, the second son of the deceased, but of illegitimate birth, in preference to his grandson, a boy of six years old, the legitimate son of the prince Mheran formerly mentioned, who was the eldest son of Meer Jaffier, and born of his lawful wife. Clive, though he considered this appointment as now irreversible, disapproved of it, on the grounds both of policy and of justice; but, in the latter view, scarcely, it would seem, with reason. The claims of legitimacy and primogeniture, though recognized by the Mahomedan law, do not, in the practical application of that law, hold so paramount a place as is assigned to them by the codes and customs of Europe; and, with respect to official succession, it has sometimes been doubted even in Europe, whether a younger brother of mature age ought not to supersede an infant son. But whatever defect might appear in the title of Nudjum ud Dowla seemed cured by the circumstance, that his father had not only designed him for the nabobship, but had admitted him to a participation of it during his own life-time.

The act, however, of the Calcutta government, although in itself justifiable, derived a deep tint of culpability from some accompanying circumstances. Shortly after the arrival of the committee at Calcutta, it appeared that presents to an immense amount had been received by several of the members of council, both from the new Na-

bob, and from some persons who were appointed to important stations in his court. Even if the Nabob was not the lawful successor,—and, in that case, the transaction itself wanted excuse,—yet the service of exalting him to the musnud was, in the present circumstances of the British, too easily accomplished to require very ample rewards; and if, on the one hand, as a remuneration, the sums bestowed were extravagant, considered, on the other, as a mere compliment, they were perfectly enormous. The suspicion, therefore, arose that they had been obtained by other than fair means; and, according to the account of the Nabob himself, who, however, it must be acknowledged, was partly under the government of some ill-intentioned and unprincipled favourites, they had been obtained by practices approaching to extortion. But, what greatly aggravated the offense, dispatches had previously arrived from the Court of Directors, not only signifying a strong disapprobation of the reception of presents from the native powers, but requiring that their servants would, by certain covenants drawn up in a specified form, oblige themselves to abstain from the practice altogether. The members of council, indeed, had not, when they profited by the gifts of Nudjum ud Dowla, actually executed the prescribed instruments: but they had received the requisitions of the Directors on the subject; and it certainly did not diminish their delinquency, that they forbore either to fulfil those requisitions

themselves, or to publish them among the body of the servants, until they should have made their advantage of the proffered occasion. It seemed as if they had eagerly seized the short interval yet allowed them, to make ample provision against a long future life of restraint. After all, however, there were grounds of excuse for the offenders, which should in fairness be stated. The regular emoluments of the service, at that period, bore no proportion to the great and the increasing importance of the functions exercised by the servants; and it is the too common vice of mankind to seek, in indirect and oblique gain, compensation for an unjust abridgment of their legitimate profits. At the same time, the temptations arising from this cause were strengthened by the extreme facility of malversation, under a system which was as yet unfurnished with the check of an effectual responsibility, and among a people with whom venality had wholly lost its reproach.

The attention of Clive was immediately directed to these abuses; his object being rigorous inquest into the past, and strict prevention in future. After a severe judicial investigation, the Committee reported to the Directors the names of the delinquents; while they compelled all the members of the service to execute the covenants prescribed. But, content with thus stigmatizing the individuals who had offended, and establishing safeguards against a recurrence of the offense, the Commit-

tee forbore from the infliction of signal punishment.

In connexion with this subject, the government of Clive undertook the consideration of another, which, however, was not definitively disposed of, till some time afterwards. The unpleasant disorders produced by the interference of Europeans in the inland trade of the provinces have already been noticed. Those disorders had advanced in an increasing progression; for, besides the servants of the Company, numbers of individuals licenced by that body to proceed to India under the appellation of free merchants, and, in addition to these, even vagabonds from the European ships, possessed of no licence, had embarked in the concerns alluded to. The persons who were engaged in the trade being, in this manner, at once more numerous and of a less select description, the native population suffered an aggravated load of oppression. The Directors at home had repeatedly instituted regulations calculated for the removal or the alleviation of these evils; and, in 1764, they even interdicted to Europeans the whole of the district-trade. Their orders on this point, however, had been but imperfectly fulfilled by the council of Calcutta; and the consequent orders that issued from the council into the heart of the provinces scarcely met with any fulfilment at all. Strong European interests united to counteract the objects of these provisions; while the natives

were too timorous to hazard, in the hope of a distant, and, if it may be so called, a reversionary protection, the frowns of a present and visible, though a lawless, authority.

Of the irregularities alluded to, Lord Clive was determined to prevent the continuance; but he felt that the part which the servants of the Company bore in them arose from the scantiness of the regular emoluments in the service. On these principles, while he prohibited Europeans from any interference in the district-trade, generally considered, and even peremptorily recalled from the interior of the country all Europeans not being stationed there officially, he yet allowed the servants of the Company a qualified monopoly in the traffic of salt, betel-nut, and tobacco. His selection of these articles, and his establishment of a monopoly in them, were founded in the simple fact, that a monopoly in the same articles had been habitually granted to particular merchants by the native government. He subjected this trade, however, to the payment of a considerable duty; and, on the other hand, devised a number of regulations preventive of the abuses and oppressions to which, under such a monopoly, the natives might otherwise have been exposed. Among other provisions, the retail trade was left exclusively in the hands of the native merchants, and the maximum was fixed of the prices at which they should receive the commodity. At the same time, the management of the whole concern was

placed in the hands of a committee. In spite, however, of the guards and limitations with which Clive accompanied the institution of this monopoly, the measure cannot be commended, and it was, in the year following, cancelled by the Court of Directors, on the ground that it did not consist with "the ease and convenience of the "natives," nor has it, since that time, been revived.

But, before these arrangements took place, other affairs, and of still greater importance, came under the notice of the select committee and their leader. In less than two months after his arrival, Clive quitted Calcutta to join the army on the frontier, with the intention of visiting, on his way, the residence of the young Nabob at Moorshedabad. The object of this journey was to settle definitively the terms of relation, first, between the British government and that of the Nabob; secondly, between the state which those governments combined to form and the neighbouring nations.

In the treaty made by the council of Calcutta with Nudjum ud Dowla, it had been stipulated that the Nabob should accept a *Naib*, or deputy, appointed by the English, although a native, as an assistant in the administration of his affairs; that he should consult the English with respect to the nomination and dismission of the officers employed in the collection of his revenues; and that, entrusting to the English Company the de-

fence of the provinces, he should maintain only such a number of troops as might be required by the dignity of his station.

The first alteration which Lord Clive deemed requisite in these points did not affect the basis of the treaty. Regarding the authority conferred on the Naib as excessive and invidious when concentrated in the hands of an individual, he proposed a ministry of balanced powers. With the Naib were to be joined two other officers of distinction, the one as dewan or minister of finance, the other as chief of trade;—designations, however, purely nominal, it being understood that the three functionaries were jointly and equally to exercise the whole administration of the state. The Nabob consenting to this modification of the treaty, the two offices proposed were created; and, in the nomination of the individuals who should first occupy them, the English at once conferred a due reward on merit, and performed a service of gratitude. The person who received the title of the financial minister, Rajah Doolubram, had been greatly instrumental in the first revolution, but having subsequently, by his fidelity to the English, incurred the jealousy of the Nabob Meer Jaffier, had taken shelter in Calcutta, where he had ever since remained. The chief of trade was Juggut Seet, a son of one of those unfortunate bankers whose decided connexion with the English cause had rendered them martyrs to the vindictive cruelty of Cossim Ali Khan. At

the same time, the Committee selected a member of council to reside at the durbar of the Nabob, as the representative of the Calcutta government; with instructions that he would exert his influence, both in stimulating the three ministers to a due discharge of their common functions, particularly with relation to matters involving the interests of the Company, and in maintaining between them mutual harmony and a general equipoise of authority.

But, in the system of connexion with the government of the Nabob, Lord Clive projected a much more important change; a change, however, implicating the adoption of some peculiar measures of foreign policy, and which, though he paved the way for it in his conferences with the Nabob at Moorshedabad, he could fully accomplish only by means of negotiations on the frontier. Of the principles on which he proceeded in the arrangements alluded to, it will be proper to take a comprehensive view.

The minority of the Nabob Nudjum ud Dowla, —the conquest of Oude,—the presence of the emperor and of the most distinguished chief in the empire, as suppliants, at the British camp,—the contemporary influence of the British in the Peninsula,—the reverence and terror which the British name universally inspired,—these circumstances concurred to form a critical period in the history of the Company. The case was little overstated in a letter which Lord Clive had, on

his passage outwards, addressed to a distinguished member of the Direction. "Sujah Dowla is beat "from his dominion; we are in possession of it, "and it is scarcely hyperbole to say, to-morrow "the whole Mogul empire is in our power." It was now for the Company to determine in what degree they would avail themselves of the dignities and advantages before them; what station they would occupy, between the dependence from which they had set out, and the dominion that seemed within their reach.

Of their original situation, the precariousness was sufficiently pointed out, not only by the earlier occurrences, but by a very recent page, of their history. They had, in effect, been compelled to take refuge in a political existence and character, only by their proved weakness in a capacity simply commercial. Even if dependence, however, had formerly been safe, a resumption of it would be attended with extreme hazard. The native chiefs could little be expected to spare, in its debility, a power whose strength they had found so formidable; nor is it to be wholly denied that the Company, so far as they might be deemed responsible for the acts of some of their servants, had other trangressions to expiate than merely that of their national greatness. To expect, then, that, after a retreat into the comparative insignificance of their former state, the British would again meet with the toleration which they had before experienced, would be as absurd as it was for the gigantic

genius in the Arabian fable, to look for respect and favour, after he should have shrunk back into the narrow casket from which he had unwarily been released.

Such a retreat, besides, would bring ruin on the native interests to which the British had attached themselves. The provinces would, in all likelihood, become the scene of conflict and desolation, and it was more than probable that many of the persons whom the British had guaranteed in authority might fall victims in the struggle. Superficial thinkers have sometimes recommended that the Indians should be left to themselves; totally forgetting that, habituated as that people have long been to a state of dependence, and closely as the British authority has long since intertwined itself with all their interests, they cannot be abandoned, or *left to themselves*, as it is called, without the grossest injustice. They may be compared to some soft and pliable substance which adapts and attaches itself to the hand that contains it, and which, even conceding it to be, at times, somewhat rudely grasped, would yet suffer far greater injury from an abrupt relinquishment of the hold.

If these considerations were of any avail, they not merely forbade a recurrence to our former condition, but dictated some increase and consolidation of the power which we had acquired, provided always, that this object could be gained by fair and honourable means. It was especially requisite to abolish, or to modify, the system of

divided authority which the force of circumstances had established in Bengal; where the British guaranteed the continuance of rulers over whose acts they enjoyed no adequate right of supervision. Of this system the result was, not only the monstrous absurdity of a subordinate power without responsibility, and a supreme power without controul; but a government, infected with all the vices, while it was exempt from the instability, common to the political institutions of Hindostan; a government, possessing British strength undirected by British principles. While, however, this government was thus domestically absolute, its resources could not, in any proportion to their extent, be called forth against foreign enemies. The country was impoverished; the revenue decaying; the inhabitants disheartened and discontented, though overawed; nor was it improbable that, under some pressing emergence, the British dominion, superficially enlarged as it was, might suddenly collapse into its ancient littleness.

Against these evils and dangers, the imperfect superintendance which, by the recent treaty with Nudjum ud Dowla, the British had obtained over the revenues of the three provinces, gave no sufficient security. In effect, Lord Clive had early been of opinion that no such security could be found in any less decisive acquisition, on the part of the Company, than that of the Dewannee, or civil and financial administration, of the provinces; which, however, could not be had, according to

the forms of the empire, without the consent of the Mogul, nor, according to the subsisting engagements of the Company, without that of the Nabob. He, at the same time, thought that the Company would do well to gain, if possible, the territory of the five northern Circars, or, as Orme denominates them, the northern provinces of the Decan. These districts now belonged to the Subahdar of the Decan; but were desirable for the Company, both as approximating the British possessions in Bengal to those on the coast of Coromandel, and because there was great danger that, if not in the hands of the British, they would be worse than lost, by falling into those of the French. For the attainment of this end, it was proper to have the patent of the Mogul and the consent of the Subahdar.

But, although some accession of power was necessary, it did not follow that the accession should be unlimited. The doctrine has, indeed, sometimes been maintained, that, in the case of states, the laws of ambition and self-preservation are the same;—that there is no point at which, rather than at any other, an expanding empire can safely cease to grow. It is intended, let us hope, that the operation of this doctrine should always be subject to the paramount claims of right and justice. Even on its own ground, however, such an opinion, if not held merely from that imbecility which ever takes refuge in extremes, is either the fancy of a theorist who subtilizes away the

distinctions marked out by plain sense, or the worse delusion of a conqueror who resolves the bias of his own passions into the impulse of destiny. A state is safe, when capable, either alone or with its allies, of encountering any number of its neighbours that are likely to conspire against its welfare. When insured against probable danger, it is safe. Lord Clive saw, we may conjecture, no reason why communities might not be content to act by those laws of verisimilitude on which every individual daily stakes his dearest interests. He assuredly conceived that a bolder scheme of policy would, in the event, only prove the more dangerous. "The very nabobs (he remarks) whom "we might support, would be either covetous of "our possessions, or jealous of our power. Ambition, fear, avarice, would be daily watching to "destroy us; a victory would be but a temporary "relief to us; for the dethroning of the first "nabob would be followed by the setting up "another, who, from the same principles, would, "when his treasure admitted of his keeping up "an army, pursue the very path of his predecessor."*

On these principles, Clive totally disapproved of the treaty lately concluded between the Calcutta government and the Mogul, by which the latter

* Letter to Thomas Rous, Esq. from the Appendix to the First Report of the Select Committee in 1773.

was promised the possession of Oude. Shah Aulum, though deficient neither in sense nor in courage, altogether wanted that energy which can alone fit the qualities of sense and courage, even where existing in high degrees, for the performance of a great and difficult part. He was indolent, pliable, and voluptuous. In granting to him the territory of Oude, the British government, if they intended their bounty to be effectual, pledged themselves to a strenuous support of the power which they had conferred. They thus immediately engaged in a contest against all those interests which were hostile to the re-establishment of the Mogul sovereignty in any considerable measure of state and efficiency. They drove into a league against them, Sujah Dowla, the most eminent in repute of all the imperial omrahs, and the Mahratta tribes, the hereditary scourge of the house of Timur. They committed themselves, beyond retreat, in that boundless multitude of intrigues and wars of which the Mogul court, if reinstated in a portion of its ancient splendour, could not fail to be the centre. To befit this extended scale of action, the establishments of the Company, both civil and military, must have been greatly increased; and, even were the ambition of native chiefs to be inactive, the abuses which might be expected to take place in the interior of a territory extending to a great distance from the seat of government would speedily kindle new

and destructive wars. In every view, the Company would be borne down by the weight of their own greatness.

On the contrary, should the dominion of Oude, or the greater part of it, be restored to the Nabob Vizier, then, while the evils that have been detailed would be obviated, positive benefits of no slight nature would accrue. The friendship of a chief distinguished for his prowess and popularity would be conciliated; and the acquisition might derive peculiar value from the local position of that chief, intervening, as he did, between the British frontier and the empire, if it may be so called, of the Mahrattas. At the same time, the British would gain the important advantage of a reputation throughout Hindostan for the virtues of generosity and moderation.

In acting on these views, the utmost respect was undoubtedly due to the engagements subsisting with the Emperor on the one side and the Nabob of Bengal on the other. Yet, in relation to the treaty with the former, it may be doubted whether honor itself did not enjoin some modification of an arrangement, by which the British would have ceded away the entire territory of a high-spirited chief, at the very moment when he had thrown himself into the arms of British clemency and magnanimity. Happily, this question did not arise; the Mogul, whether from the effect of mature reflexion on the tumults and difficulties into which he should be plunged by the possession

of Oude, or from some understanding with the Vizier, or from whatever other cause, readily acquiesced in a revisal of the agreement.* To the acquisition, meantime, of the Dewannee by the Company, the consent of the Nabob was requisite, not, indeed, by the forms of the empire, but by the principles of good faith and liberality. That consent, however, Clive had personally obtained, during his visit to the Nabob at Moorshedabad. On his then representing, in detail, the heavy charges to which the revenues of the country would be subject, Nudjum ud Dowla, a youth of mean abilities, narrow education, and dissolute habits, was content with resigning to the English the trouble of collection and appropriation, on condition that a stipulated sum should be allowed for the support of the Nabobship in unimpaired magnificence.

These preliminaries having been settled, affairs were, in the month of August 1765, brought to a conclusion. The entire territory of Oude, excepting the districts of Corah and Allahabad, was restored to Sujah Dowla. It seems no improbable conjecture that, in surrendering himself to the British, Sujah Dowla had partly been influenced by his confidence in Lord Clive, of whose expected arrival he could not but be apprised, and whose generosity was as highly appreciated among the natives of Hindostan as his valour and policy.

* See Gen. Carnac's Letters, in Appendix to first Report, 1772.

Yet the liberality of the British exceeded the most sanguine hopes of that prince; and "his expres- "sions of joy and gratitude on the occasion," as Lord Clive himself relates, "were many and warm." To this gift, however, were annexed the conditions, which the Vizier willingly accepted, that he should pay the Company fifty lacks of rupees for the expenses of the war; and that they should have the privilege of trading, duty free, throughout his dominions. The excepted districts of Corah and Allahabad were allotted to the Emperor, the fort of Allahabad being assigned for his residence; and this fort was, at his own solicitation, garrisoned by a detachment from the troops of the Company. It was farther stipulated that, out of the revenues of the three provinces, His Majesty should annually receive a stipend, in the nature of a tribute, amounting to twenty-six lacks of rupees, or about three hundred thousand pounds. In return for these cessions, the Emperor, besides a confirmation of the territorial acquisitions which the Company had made, either under the subahdarry of Bengal, or on the coast, conferred on them two important favours. In the first place, he invested them irrevocably with the Dewannee of the three provinces, Bengal, Behar, and Orissa. By the constitution of the Mogul government, the collection and disbursement of the provincial revenues, together with the administration of civil justice, were entrusted to officers bearing the appellation of Dewans and ap-

pointed immediately from Delhi. Those officers, however, held their stations only during pleasure, and were, in their financial capacity, merely stewards, the balance left in their hands, after the discharge of the public expenses, being regularly remitted to the Emperor. The grant of the Dewannee to the Company had these peculiar qualities, that it was perpetual, and that it made them masters of the whole provincial revenue, subject only to the payment of certain specific sums. Those sums consisted in the tribute already mentioned, secured to the Mogul; and in the additional stipend of 53,86,132 rupees, or about six hundred thousand pounds, assigned to the Nabob of Bengal; a sum, which somewhat exceeded the clear revenue possessed by former Nabobs. The second grant on the part of Shah Aulum, was that of the five northern circars. These districts, however, appertained to the subahdar of the Decan, and the proprietary right over them could scarcely be considered as transferred to the Company until the consent of that prince should have been obtained; a matter, which was reserved for subsequent negociation.

The grant of the Dewannee, by adding, to the military supremacy which the Company had before possessed in Bengal, all the functions of the domestic administration, excepting, indeed, that of criminal judicature, rendered them nearly the virtual sovereigns of the realm. It was not, however, in the judgment of Clive, the true policy of

the Company fully to exert the power, or affect the consequence, with which they were now endowed. In the discharge of the Dewannee functions, he recommended the exclusive employment of native ministers, as the mode of procedure at once the least expensive and least invidious in the eyes both of the inhabitants and of other European nations. This plan, as will hereafter appear, was not fully justified by the event. Yet it was founded on reasons of great apparent strength, and, probably, might, at all events, have been necessary as an arrangement preparatory to some more finished system. It may be worthy of mention that, according to the computation of Clive, the annual gain of the Company, after the acquisition of the Dewannee, from all their territorial possessions in Bengal, was, after a due deduction for the public expenses, to be one hundred and twenty two lacks of rupees, or £1,650,000.

In order to complete the view of the acquisitions made by the Company in consequence of the negotiations which have been described, it will be proper to state, with more distinctness than has yet been done, the object and nature of the cessions in the Decan.

The five northern circars had, in 1754, been granted by Salabut Jung, the subahdar of the Decan, to the French, then his allies. That people being afterwards, by the superiority of the English arms, compelled to quit their acquisition,

it ostensibly reverted to the subahdar, but with so little real submission on the part of the local zemindars, that Nizam Ali Khan, the brother and successor of Salabut Jung, could maintain his authority over the country only by force, and, for this purpose, had recourse, year after year, to the assistance of the English troops. In 1760, and the two following years, Nizam Ali, or, as he is commonly called, the Nizam, pressingly proffered to the Madras government the possession of the circars, soliciting, in return, the co-operation of their arms with his own, against the Mahrattas and Hyder Ali; the zemindars, at the same time, greatly desired this arrangement; but, the government of Madras being unable to spare the forces which the Nizam required, the proposed agreement did not take place. After the pacification, however, of 1763, a resumption of the districts in question by the French being apprehended, the government renewed their negotiations on the subject with the Nizam, who now greatly raised his terms, and withstood the repeated and augmented offers of the English. It was in this state of things that Lord Clive, deeming the exclusion of the French, at any rate, an object of the utmost moment, obtained from the Mogul the proprietary grant of the disputed territory. Yet this grant was received only as an insurance against the worst, and, therefore, was not proclaimed to the Nizam, from whom it still remain-

ed to procure the cession of the territory by negotiation.*

In point of fact, the cession was made in the succeeding year, that of 1766; four of the circars being surrendered immediately, and the fifth, called the Guntoor circar, which was held by a brother of the Nizam, in reversion; and the Company undertaking that they would pay a rent of nine lacks of rupees, or about £110,000, and would, besides, furnish the Nizam with the service of a body of troops, whenever it might be required for the maintenance of his Highness's government. These terms were less favourable for the British, than those which the prince had himself, at a former period, proposed, and even pressed; yet were they not obtained until both the friendship of the subahdar, and the good offices of his ministers, had been conciliated by means of large presents. From that circumstance, coupled with the intrigues consequent among the ministers, the whole negotiation has been stigmatized, and by persons not, in general, unfavourably disposed towards the Company, as a compound of "treachery, chicane, and bribery."† Whether the servants of the Company acted, on the occasion, altogether correctly, is, certainly, a matter of serious doubt; but considerations high-

* Short History of the East-India Company, 1793, chap. xv. —Correspondence of the Madras Government.

† Short History of the East-India Company.

ly palliative, at least, of their conduct, may be found in the known venality of oriental politics. At an Indian court, even the most legitimate and laudable objects can seldom be carried by those who will not previously purchase the influence of some person in authority; and the interests of the sovereign, if sometimes sacrificed in the way of traffic, are, in other instances, made a matter of traffic, even when they are fully consulted. It, at all events, appears, and, indeed, has not been denied, that the cession of the districts was, ultimately, a voluntary and deliberate act on the part of the Nizam; nor have the objectors determined under which of the terms *treachery*, *chicane*, and *bribery*, the presents by which the good-will of that prince himself was secured, can, most properly, be said to fall.

Peace being restored to the provinces of Bengal, Behar, and Orissa, Lord Clive, with the concurrence of his committee, proceeded to effect various reforms in the system of government. He had before introduced retrenchments into the civil expenditure. He now new modelled the army, by forming it into regiments and brigades, with an increased number of field officers, to the great advantage of discipline; and, these improvements being accomplished, set himself to abridge the military disbursements; a task, indeed, which had been peculiarly enjoined him by the Directors and Proprietors at home. The officers employed by

the Company had originally been allowed, when in the field, a sum beyond their stated pay, or, as it was called a *batta*. The Nabob Meer Jaffier, being obliged, by the treaty of 1757, to defray the expenses of the British troops employed in his defence, granted the officers a double allowance or batta; and the provision of this allowance, in process of time, fell on the Company. The double batta, however, although it had been, from the very first, and all along, understood to be an indulgence purely temporary, was, through the representations of the officers acting on the forbearance of the Calcutta government, still continued; and a spirit of luxury and rapacity was fast gaining ground in the army, when Lord Clive returned to Bengal. Clive, though particularly instructed by the Company to reduce the allowance in question, delayed the execution of the measure until he should have concluded peace, and effected the other military improvements which have been mentioned. The opportunity, however, was at length arrived. The government issued an order that, from the first of January 1766, the batta should cease altogether, excepting at some particular stations, where, on account of the dearness of European necessaries, it was to be, either wholly or paritally, permitted. The officers remonstrated, and in warm terms; but, the positive command of the Company being urged by the select committee, an apparent acquiescence took place.

The reforms of Lord Clive had now introduced into every department of affairs, order, economy, and efficiency; but they interfered with too many private interests to occasion universal satisfaction. On the contrary, a storm of obloquy assailed the committee, and especially their noble leader, whose past practice was clamourously cited as the most decisive argument against his present proceedings. Lord Clive had indeed, during his former residence in Bengal, accumulated a large fortune, and chiefly by means of the presents which, on occasion of the first revolution, he had received from Meer Jaffier. But those presents were bestowed in return for services of a nature at once the most important and the most hazardous; and they were bestowed at a time when the custom, in the service, of accepting donations from the native powers, had in no degree incurred the disapprobation of the Company at home. In both respects, the transaction in question seems distinguishable from the irregularities in vindication of which it was quoted. Yet the distinction was one which, though perfectly discernible to a candid observer, passion or prejudice might easily overlook. At all events, however, the recrimination could produce little effect on the mind of Clive; which was not of a nature to be intimidated into weakness by the reproach, however plausibly urged, of inconsistency. He persevered; and the merit of his perseverance is not exaggerated in the following sketch, drawn by himself, of his situation and con-

duct at the period under review. "Two paths "were evidently open to me: the one smooth, "and strewed with abundance of rich advantages "that might easily be picked up; the other un-"trodden, and every step opposed with obstacles. "I might have taken charge of the government "upon the same footing on which I found it. The "settlement in general would thus have been my "friends, and only the natives of the country my "enemies. If you can conceive a governor in such "a situation, it is impossible to form a wrong judg-"ment of the inferior servants, or of the Company's "affairs, at such a presidency. An honourable al-"ternative however lay before me: I had the "power within my own breast to fulfil the duty of "my station, by remaining incorruptible in the "midst of numberless temptations artfully thrown "in my way; by exposing my character to every "attack which malice or resentment are so apt to "invent against any man who attempts reforma-"tion; and by encountering, of course, the "odium of the settlement. I hesitated not a mo-"ment which choice to make; I took upon my "shoulders a burden which required resolution, "perseverance, and constitution, to support. "Having chose my path, I was determined to ex-"ert myself in the attempt, happy in the reflec-"tion that the honour of the nation, and the very "being of the Company, would be maintained by "the success; and conscious that, if I failed, my "integrity and good intentions, at least, must re-

"main unimpeached."* This passage occurs in a letter addressed by Clive to the Directors; and is interesting, if in no other view, yet as having issued warm from the heat of the conflicts and difficulties which it describes. The reader will, perhaps, forgive in this place the remark, that all the letters of Clive printed with the reports of 1773 well deserve, independently of the information which they contain, a perusal; not only because, in their collective effect, they exhibit the comprehensiveness and decision of the mind by which they were dictated; but even, in point of mere curiosity, as presenting the completest exposition of personal views and feelings that has proceeded from any British statesman of the first rate since the days of Clarendon and Temple.

But, whatever reflexions might be cast on the conduct held by Lord Clive during his former residence in the country, the unimpeachable disinterestedness of his second government furnished him with a strong defensive weapon. Not only did he fulfil the declared resolution, under which he had left England, that he would add nothing, during his administration, to his private fortune; but he chose to include within the effect of this pledge a legacy which had been bequeathed to him before his arrival in the Indian seas by the deceased Nabob, Meer Jaffier. The bequest

* Letter from Lord Clive to the Court of Directors, dated 30th September, 1765. See first report, 1772.

amounted to five lacks of rupees, or about sixty thousand pounds; and it was by Lord Clive converted into a fund for the relief of such officers and soldiers as should be invalidated, or for the widows of such as should have lost their lives in the service of the Company.

The enmity, however, against the governor and his committee was not appeased; and it shortly assumed a new and very formidable shape. While the officers of the army affected acquiescence in the recent reduction of their emoluments, they were diligently meditating measures which should procure a repeal of that regulation. The troops had been brigaded by Lord Clive, as was before stated. The brigades were three, and were stationed respectively at the cities of Monghir, Patna, and Allahabad. About the close of the year 1765, a conspiracy, with the views described, was formed among the forces quartered at Monghir, and it speedily gained the concurrence of the other divisions; the officers agreeing that a general and simultaneous resignation of commissions should take place in that brigade, on the alleged ground that the retrenchment of the double batta precluded the prospect of a livelihood in the military service. They at the same time bound themselves under heavy penalties to support such of their number as might become in any manner martyrs to the common cause. The plot was, under oaths of secresy, and by the agency of committees of correspond-

ence established for the purpose, regularly organized and matured; and with such successful avoidance of suspicion that the development of it may be said to have burst, like the typhoon, from an unclouded sky.

But Clive, though the blow might be unexpected, was too well versed in the anticipation of political contingencies to be, in any proper sense of the term, surprised. So far from this, it is a curious fact that, some months before the mutiny was even projected, he had, in a letter to the Di-tors, both announced the danger of such an occurrence and pointed out the remedy. "The evil I "mean to apprize you of," he observes, "is the "encroachment of the military upon the civil "jurisdiction, and an attempt to be independent "of their authority. A spirit of this kind has always been visible; our utmost vigilance there-"fore is requisite to suppress it, or at least to "take care that it shall not actually prevail. I "have been at some pains to inculcate a total sub-"jection of the army to the government, and I "doubt not you will ever maintain that princi-"ple."—"The whole army," he afterwards adds, "should in like manner be subordinate to the ci-"vil power; and it is the indispensable duty of "the governor and council to keep them so. If "at any time they should struggle for superiority, "the governor and council must strenuously exert "themselves; ever mindful that they are the

" trustees for the Company in this settlement, and " the guardians of public property under a civil " institution." * These sentiments will be fully approved by all who remember that the combination of military men for private purposes contravenes every principle of civil policy; and that a community can adopt no surer rule for a relapse into barbarism than the sufferance of armed conspiracies.

Thus provided with principles suitable to the emergency, Lord Clive, when he received intelligence of the mutiny, neither lost a moment in suspense, nor wasted an effort from vacillation. In concurrence with his committee, he instantly resolved on inexorable opposition to the demands of the mutineers; and the measures which he adopted were proportionably energetic. His care was principally employed in procuring a supply of officers to succeed those who should resign their commissions, and in preserving unimpaired the fidelity of the soldiery. By what courage and address, both on the part of Clive himself, who had hasted to Monghir, and on that of the commanding officers, Colonel Richard Smith, and Sir Robert Barker, the objects in question were accomplished, it would be incurring the charge of prolixity to detail. The combination, however, was at length effectually crushed, and submission

* Letter, 30th September, 1765.

and recantation became general; but not a few of the offenders were cashiered by the sentence of a court-martial; and the commanding officer of the force stationed at Monghir, a man of family and of distinguished service, suffered, for having secretly fomented the mutiny, the same punishment.*

During the very crisis of these commotions, the Nabob Nudjum ud Dowla died, and, leaving no issue, was succeeded, conformably to the precedent already established, by his brother Syef ud Dowla, in preference to the son of Mheran. No change, however, ensued on this event, in the relations subsisting between the government of the Nabob and that of the Company, excepting that the new prince consented to a reduction of the stipend allowed for the expenses of the Nizamut from fifty-three to forty-two lacks of rupees. This event, indeed, is chiefly observable as affording a striking illustration of the malignity which the strenuous integrity of Clive had excited among his enemies. It was whispered that the decease of the young Nabob had not taken place without the instrumentality or connivance of the governor; and with such confidence was this story circulated, that the Committee of the Commons

* A full and interesting narrative of this mutiny was laid before the House of Commons, in 1773, by Sir H. Strachey, Secretary to Lord Clive in Bengal, and may be found in the Appendix to the eighth Report of the Committee of Secresy.

thought fit to make the subject of it a matter of investigation; when it plainly appeared that the prince had fallen a victim to the operation of a fever on a gross and debilitated habit of body. As the only circumstance of proof affected to be brought in support of the charge against Clive, namely, the coincidence of his presence at Moorshedabad with the demise of the Nabob, is, after all, a circumstance in disproof of it, nothing more needs to be offered respecting it except a short remark on its inherent improbability. Was the motive of the alleged crime a desire of procuring for the Company a reduction in the stipend paid to the Nizamut? Why then had Lord Clive recently contented himself with so moderate an use of the complete command which, as the representative of the Company, he possessed, not only over the dominions, but over the revenues and treasures, of Sujah Dowla? Was he influenced by a personal bribe? Why then had he recently rejected, when he might have possessed with honour, the large sum devised him by Meer Jaffier? And, on both suppositions, why should he perpetrate the supposed crime at the very moment when the critical mutiny in the upper provinces occupied his most intense attention? Yet, in the face of palpable probability, and without the pretence of evidence, the tale under consideration has found currency among some writers, who, it may be hoped, in their passion for the marvellous and horrible, forget that an eagerness to impute

great atrocities is little less mischievous than the readiness to commit them.

Having accomplished the ends for which he had been appointed to his situation, and finding his health impaired by the influence of the climate, Lord Clive finally quitted India in February 1767. During his short administration, he had almost systematized anew the constitution, civil and military, of the presidency of Bengal; he had, in a considerable measure, eradicated the disorders with which the service was infected; he had increased the power, consolidated the possessions, and improved the finances, of the Company; he had arranged the complicated and confused relations subsisting between the British and native governments; he had fenced with safeguards the tranquillity and security of the native population; finally, he had exhibited, in his own conduct, the grand example of a warrior content with civil glory, and a conqueror satisfied with triumphs over domestic corruption. Of the credit due to these services and achievements, the blame which attaches to one or two actions of his life, committed under circumstances of novelty and exigency, cannot divest his memory; nor can it eclipse the splendor of the addition to which his great actions in the state, still better than his victories in arms, entitle his name, that of the Father of the Indo-British empire. This praise, at the same time, is not his alone. Some part, surely, of his pre-eminent fame redounds to the reputation of the body in

whose annals the whole of that fame is blazoned;—of those, in whose service his early genius found every incentive of opportunity and patronage, and who honoured his mature experience with an unlimited surrender of their confidence and support,

THE T.M.S. MAHARAJA SERFOGI'S SARASWATI MAHAL

CHAPTER III.

From the year 1766-7, *to the passing of the Regulating Act of* 1773.

THE intelligence of the acquisitions made by the Company under the second government of Clive excited no inconsiderable sensation in the minds of the English public. The subject, however, was particularly interesting to those who had the deepest stake in it,—the proprietors of East-India stock. The revenues of Bengal, Behar, and Orissa, having become the property of the Company, the idea not unnaturally occurred to some individuals of that body, that their affairs would now admit of a large increase of their annual dividend, which had for some years stood at only six per cent. Others, with the Directors for their leaders, looking to the debts, rather than to the acquisitions, of the society, reprobated this idea; and the dispute between the parties was pursued with such animosity and clamour, as strongly to interest the attention of the legislature and the nation.

It was expected that the question respecting the increase of the dividend would be decided at the Quarterly General Court of the Proprietors, in

September, 1766. The meeting, however, had scarcely opened, when a communication arrived from the first Lord of the Treasury, apprising the Company that, before the close of the ensuing session, their affairs would probably undergo the inspection of Parliament. The notice was evidently intended to operate against an increase of the dividend; but the interference of the minister, even to this extent, in what was deemed private property, was a novelty; and the proprietors, disdaining to be controuled by it, determined, by a great majority, that the dividend for the year from Christmas 1766 to Christmas 1767 should be raised to ten per cent.

In the ensuing month, the subject of the dividend was taken into deliberate consideration by the House of Commons; and the discussions which consequently arose in that assembly, widening as they advanced, at length comprehended or touched every branch of Indian affairs. They had not, however, resulted in any definitive measure, when, on the 6th of May, 1767, the proprietors resolved that, at the succeeding Midsummer, the dividend should be six and a quarter per cent. Two days afterwards, leave was given in the House of Commons to bring in a bill for the regulation of the dividend on India stock. The Company petitioned against this bill, as an infringement of their charter; but made proposals for a temporary arrangement, on the grounds, that the public should be admitted to a participation in the benefit accruing

from their territorial acquisitions, and that the dividend might be raised to twelve per cent.

The proposal appears to have been most precipitate; but it evidently originated in the eagerness of the proprietors to secure an augmentation in the value of their stock. To this object they were willing to obtain the sanction of the legislature, by admitting the principle that the public should be sharers in the Indian revenues; a principle which, in their deliberate judgment, they would certainly have reprobated as dangerous. The Commons rejected the petition, but accepted, under certain modifications, the proposals for a temporary arrangement.

In consequence of these proceedings, were passed the three acts of the 7th of George III. cc. 48, 49, and 57. Of these acts, the first and second respected the subject of dividends; the second act restrained the Company from voting, before the next session of parliament, a dividend of more than ten per cent. for any time subsequent to the 24th June, 1767. This restriction, although vigorously opposed as a violation of the privileges conferred on the Company, was afterwards continued till February, 1769. By the remaining act, it was stipulated that the Company should retain their territorial acquisitions for two years, on condition that they paid to the public, in each year, the sum of four hundred thousand pounds. No formal provision was, however, made for the renewal of the charter of exclusive trade;

although, by the former charter-act of the 3d George II. c. 14, the privileges of the Company were, after the 25th of March, 1766, liable to determination on a notice of three years. Still, the notice not being in fact given, the existing privileges, so far as they were not expressly annulled, were of course prolonged.

These transactions furnish not a little matter of curious reflexion. With the exception of some enactments,* relating to the jurisdiction of the Company over British subjects in the East, the measures which have just been described constituted the earliest interference of the legislature in the management of Indian affairs, subsequently to the battle of Plassey. Ten years had the foundations of the Indo-British empire been laid, and the superstructure had, during the whole of that interval, been upheaving itself with great, though variable, rapidity; while the attention of Parliament, if we may judge from its acts, was no more attracted by the affairs of India than by the proceedings on some distant planet. But the slowness of the legislature to interfere is perhaps less remarkable than the circumstances under which the interference, after all, took place, and the objects to which it was, in the first instance, directed. It was observed, in the last chapter, that the questions involving the Indian policy of the Company were first forced on public notice by

* 1 Geo. 3, cap. 14.

the divisions which distracted that body. A somewhat similar remark, as the foregoing details may evince, applies, on the present occasion; for the quarrels respecting the dividend gave rise to the first ministerial and parliamentary cognizance of Indian affairs. When, farther, the interposition of the legislature actually took place, it secured to the public a participation in the revenues of the new empire; and at this point it commenced and terminated. Notwithstanding the immense variety of local interests connected with the realization of those revenues, and while stories of oppressions in the East, stories leavened with just so much truth as might render them palatable, were universally current, no obligation of good conduct was imposed on the Company. They were bound only to the provision of a surplus revenue in their dominions; a stipulation, the fulfilment of which, for a short term of years, was as compatible with the most tyrannical as with the most paternal policy. If it be true, as is not rarely alleged against the Company, that they have been greatly more attentive to the accumulation of profit than to matters of a weightier nature, the events under consideration at least shew that the Company have not had this failing to themselves.

But it is not necessary to pursue this train of reflexion; which would unnecessarily detain the reader from the more immediate subjects of the present history. It has been stated in the preceding chapter that, on the cession of the northern

circars by the Subahdar of the Decan to the British, the presidency of Madras promised that prince, whenever he should require it, the assistance of the British troops in settling the affairs of his government. Although the object of this stipulation was specific, the Nizam had every inclination to avail himself of it generally; and, having, about the close of 1766, confederated himself with a Mahratta chief, against Hyder Ali Khan, the sovereign, by usurpation, of Mysore, he claimed, for the fulfilment of this design, the services of a British detachment. His application was, with singular impropriety, granted; but, what was still more reprehensible on the part of the Madras government, they seem to have engaged in this confederacy without any of those precautions which, on such an occasion, the most common prudence demanded. No previous understanding, so far as appears, took place either with the Nizam or with the Mahrattas respecting the exact objects, the conduct, or the expenses, of the projected enterprise; no insurance was provided against loss, nor any guarantee exacted of fidelity. Totally without preparations of this nature, the British troops joined those of the Nizam; and the united army invaded the territory of Mysore.

It has frequently been said that the acquisition of territory inspired the Company with a taste for political achievements and a rage for military glory. On the Company themselves, certainly, no

such effect was produced. It was a disposition of precisely a contrary kind which had occasioned the last appointment of Clive; nor, excepting at one period, subsequent to the time comprised within the scope of the present history, have the Company, from the days of Clive to the present moment, been seduced to a departure from the pacific policy adopted and accredited by that leader. But the servants whom they employed in the East did not universally possess the sagacity and self-command of Clive; nor were proof against the impulse of ambition, or of those meaner passions that lead men to scale the heights of power for the sake of the rich mines latent below. These promptings of a lofty or of a sordid nature, it was the more easy for the servants to obey, as, on account of their distance from the seat of the Company at home, they were necessarily entrusted with a considerable share of discretional authority. In effect, for some years after this period, the foreign transactions of the Indo-British settlements, though by no means to be placed under that common seal of reprobation which has been fixed on them by undistinguishing prejudice, clearly assume a somewhat more bold and domineering character. Hitherto, the wars waged by the Company had been, in their essential nature and principle, *defensive.* The Company, or rather their servants, now entered, as in the case before us, on what may be designated *wars of alliance;* wars, that is, into which they were drawn

by the operation of engagements ambitiously or imprudently contracted with native potentates; and to these succeeded, in one or two instances, *wars for dominion*,—contests undertaken exclusively with a view of aggrandizement, and of which subsisting alliances were the pretexts and the instruments rather than the causes.

In the present case, the temerity of the British government soon met with its punishment. Hyder Ali, who was distinguished for all the terrible accomplishments of an Asiatic hero,—equally prodigal of faith and of blood, equally victorious in the use of intrigues and of arms,—successfully exerted himself to charm away a part of the tempest with which he was threatened, before it should burst. First, by dint of large bribes, he bought off the Mahrattas. Next, he entered into negotiations with the Nizam, and so effectually, that this prince not only concluded with him a separate peace, but, at length, an offensive alliance, professedly directed to the extinction of the British name in the Decan. In August 1767, the armies of the Nizam and Hyder actually united at Bangalore, from which place they made irregular incursions into the Carnatic.

In this juncture, the efforts of the Madras government were as imperfect as their previous conduct had been unwise. The British troops, very inadequately equipped for the serious campaign that approached, were reduced to a naked dependence on their own disciplined valour, and

the approved ability of their commander, General Joseph Smith. The advantages which in these respects they possessed, the immense superiority of Hyder Ali in cavalry, enabled him nearly to render ineffectual, by eluding a general action, and sustaining a predatory and vexatious warfare. In this state of things, the English happily found an ally in the pride of the Nizam, who, having originally been seduced into the cause of Hyder by the boastful promises of that chief, now reproached him with the dilatoriness of his performance. For the satisfaction of his ally, the Mysorean consented to a change of plans; and the result was that, by a succession of obstinate engagements and bloody defeats, the allied army was driven out of the Carnatic. These misfortunes again gave full effect to the natural versatility of the Nizam. He made peace with the Madras government, and retired into his own dominions.

This defection, though it weakened Hyder Ali, gave him greater liberty of action; but he was still prevented from making any impression on the Carnatic, by the steady vigour of General Smith, and the resolution, almost miraculous amidst the privations which they endured, of the British troops. Weary of fruitless contest, the Mysorean chief, in September 1768, made overtures of peace to the British, tendering, together with some slight cession of territory, the payment of ten lacks of rupees. The Madras presidency,

however, haughtily insisted on far higher terms, and the negotiation proved abortive. At the same time, the presidency, as if not satisfied with the displays of incapacity which they had hitherto afforded, subjected the movements of the army to the immediate controul of two members of council from Madras, with the appellation of field-deputies. To recount the evils that flowed from this arrangement would be endless. The deputies not only interfered, to a pernicious extent, with the smaller manœuvres of the army, but obliged General Smith to reverse his whole system of operations, by acting offensively against the territory of Mysore. The plan was useless and ruinous, unless one or both of the strong cities of Bangalore and Seringapatam could be reduced; and, for a service so arduous, Smith, almost destitute, through the negligence of the government, of stores and provisions, was in no condition. The ill success of the war provoked the government to recall, not the deputies, who, next to themselves, were principally in fault, but the commander, General Smith, whose intelligence and activity would have been their best stay in the existing state of affairs. The successors of this officer proved still less fortunate; the army, weakened by sickness and desertion, became despondent; some inferior conquests which had been made to the southward were lost; and, in January 1769, Hyder Ali, having recovered his own provinces,

marched into the Carnatic, which he ravaged with fire and sword.

Yet, notwithstanding the formidable attitude which the enemy had now assumed, the prospect was far from hopeless. The resources of Hyder Ali were heavily burdened, and his armies had been greatly wasted. General Smith, also, was very properly restored to the command of the British army; and this officer, a soldier of long service, and formed in the same school of war of which Clive had been a pupil, not only greatly hampered the movements of the hostile army, but, by the dexterous interposition of a detachment, cut off their communication with their own country, and rendered the situation of Hyder Ali somewhat critical. From the difficulties, however, that seemed to be entangling him, that chief was extricated by his own audacious spirit of enterprise, and the concurring pusillanimity of the Madras government. Having, by a variety of movements, contrived with great adroitness, drawn the British forces to a considerable distance from Madras, the Mysorean commander suddenly directed his course to that city, with a body of six thousand cavalry; and, after compassing a march of a hundred and twenty miles in about three days, presented himself on the contiguous mount of San Thomé. From this point he dispatched a message to the governor, requiring that a negotiation might be opened for peace, and

that, in the meanwhile, the approach of the army under Smith might be prohibited. The conduct of the government now evinced that, however deeply they might be possessed with the spirit of Roman ambition, the better qualities of Roman fortitude and magnanimity were totally wanting. The garrison of Madras was at least sufficiently strong to have kept the hostile general in check, until he could receive from the army of Smith, which was hastening to the city, the chastisement due to his arrogance. Yet the government implicitly complied with his requisitions; and, after some interruptions, a peace was concluded on the 4th April, 1769; by which the parties stipulated for a mutual alliance in all but aggressive wars, and for a mutual restitution of their conquests, with this exception, that Hyder Ali was permitted to retain a small tract of territory originally his own, and conquered from him in the course of a former war.*

The war with Hyder Ali had, from the very outset, been viewed with anxiety by the Company at home. When intelligence arrived of the reverses of 1768, this anxiety gave place, in the Court of Directors, to deep displeasure and alarm; among the proprietors, to absolute consternation, of which the consequence was, that the price of

* This rapid sketch of the war of 1767, is taken chiefly from the *Life of Hyder Alli*, by Robson, who served under General Smith, and from MSS. of authority.

India stock fell sixty per cent. The disasters in the Peninsula, and the misconduct of the Madras government, which hád occasioned those disasters, together with some minor instances of mismanagement at the other presidencies, appeared to the Directors subjects of such serious enquiry, that they proposed the appointment of a special commission for the purpose of investigating the matters in question on the spot, and of adopting such measures as might seem requisite. The commissioners, at the same time, were to exercise general powers of inspection and controul over all the presidencies in India, and to provide regulations, under the supervision of the Company, for such an administration of affairs, as should both secure correctness of conduct in the service, and consult the rights and happiness of the natives. After much opposition and debate in the Court of Proprietors, three gentlemen, whose character and abilities had already been approved in the service, Messrs. Vansittart, Scraflon, and Ford, were entrusted with the proposed commission. They accordingly embarked for India, in 1769, on the Aurora frigate; but, unfortunately, this vessel, after leaving the Cape of Good Hope, was never again heard of, having, in all probability, foundered at sea.

While the Company deliberated on these measures, neither the ministry, nor the legislature, were inattentive to Indian affairs, although it can scarcely be said that their attention was exerted on

the subject with much judgment. The legislature passed an act, by which the obligation imposed on the Company in 1767, of annually paying to the public four hundred thousand pounds, on account of the territorial revenues, was continued for five years longer, their territorial possessions being, on condition of this payment, ensured to them for the same term. The act ostensibly, indeed, favoured the Company, in permitting them to increase their annual dividend as far as twelve and a half per cent.; but, at a period when their finances had suffered a heavy pressure from the disastrous war in the peninsula, some remission might have been expected of the demands made by the public.

A still less judicious proceeding was adopted by the executive government. The Company having, at the same time that they nominated the special commission for the restoration of their affairs, solicited the presence of a squadron of men of war in the Indian seas, Sir John Lindsay, the commander of the squadron granted in consequence of this application, received a commission creating him plenipotentiary minister from the King to the princes of India, and particularly to the Nabob of the Carnatic, who, having been specially named in the treaty of Paris, was now considered as an ally of the crown. Indeed, it was probably in the intrigues of the Nabob of the Carnatic, that this appointment originated. In that province, the British authority, although not so

powerful as in Bengal, was sufficiently felt to be found irksome by the Nabob; who had at length learned the lesson of counteracting it by the diligent cultivation of a parliamentary influence in England.

The nomination of Sir John Lindsay seems to have been an unwarrantable step. The Company were, by their charters, unequivocally invested with a political sovereignty in India; and, though this privilege was, beyond question, enjoyed only in subjection to the supremacy of the King, still, unless the Company had publicly and formally been convicted of misconduct, the direct obtrusion of the royal authority was arbitrary and invidious. In the instance under consideration, it was not happily contrived, even supposing such conviction to have taken place. If the Company were so constituted that they could only abuse the functions of political sovereignty, their constitution should have been reformed; if they were incorrigible, those functions should have been wholly withdrawn. The present expedient, however, was not to qualify or supersede their power, but merely to thwart the exercise of it by the erection of a rival. Thus was violated that plain principle of policy which enjoins that, in its foreign relations, every state should maintain unity of character; that the supreme authority, however distributed or multiplied internally, should always wear an individual aspect without; that there should, in short, be but one national organ.

The infelicity of the device soon appeared in the vexatious disputes which took place between the Madras government and the regal plenipotentiary; the latter, peremptorily assuming an inquisitorial controul over the administration of the British affairs; the former, with equal firmness, resisting his jurisdiction; while the one party pleaded the authority of his commission, and the other that of their charters. Yet the government in England were so far from profiting by the result of this experiment, that Sir Robert Harland, who, in 1771, succeeded Lindsay as naval commander-in-chief, was invested with similar powers; and these resulted in similar contentions with the government of Fort St. George.

In the mean time, even had the royal envoy exercised an undisputed authority, it does not appear that the native potentates would have benefited by his presence, always excepting the Nabob of the Carnatic. The resentment or the ambition of that person, led him to meditate the subjugation of a petty Hindoo prince or rajah, who ruled the territory of Tanjore. The Rajah might, in some sense, be considered as a feudatory of the Carnatic, and he was accused of disaffection towards his superior; nor did the accusation want strong colour. Yet so far as it is possible to ascertain the merits of a case much entangled in itself, and still more perplexed by the numerous publications which the variety of interests concerned drew from the English press, the prince

of Tanjore was rendered still more obnoxious by his wealth and possessions than by his offenses. The projects of the Nabob were abetted by the presidency of Madras, and successively gained the acquiescence of the royal plenipotentiaries, Lindsay and Harland. An expedition against the city of Tanjore took place under General Smith and the son of the Nabob, in the autumn of 1771, but terminated in a treaty of peace; and the British army was then employed in the reduction of some Poligars, who, although nominally dependent on the Carnatic, had availed themselves of the hilly nature of the country which they inhabited to maintain a virtual independence. Shortly afterwards, fresh quarrels, partly having their origin in the terms of the late pacification, ensued between the Nabob and the Rajah. Of these it is not easy to ascertain the precise merits; but they resulted in the utter overthrow of the Tanjorean prince, whose capital was, in September 1773, taken by the allied armies of the Company and the Nabob, the prince himself, with his family and chief officers, being made prisoners.

This was one of those *wars of alliance* into which the Company, in opposition to their general wishes and instructions, were hurried by the rashness or the interested views of their servants. Unfortunately, the presidency of Madras was not a solitary offender, at the period under consideration. The conduct of that presidency found more

than countenance in the contemporary proceedings of the government of Bombay.

It will have been seen from the preceding chapter, that the British at Surat had formed such a connexion with the Nabob of that city as would naturally implicate them, to a certain extent, in the political affairs of the district; but the presidency of Bombay, within whose superintendancy the factory of Surat was included, were, either by accident, or by emulation of the political consequence which the sister presidencies had recently acquired, quickly drawn beyond the limit of a necessary interference. The district of Broach was politically dependent on that of Surat, although governed by a Nabob of its own. Against this Nabob, the Bombay government, in 1771, advanced a claim for some pecuniary dues which had been unjustly, as they alleged, withheld during the forty years preceding. The claim, whatever its validity, belonged not to the governor of the Castle of Surat, but to the Nabob of that territory; at whose request it was in fact urged, the presidency not doubting but that they should themselves receive from the Nabob of Surat the principal share of what should be recovered. With this claim, however, they united a demand, in their own behalf, of compensation for some overcharge in the customs levied by the Nabob of Broach on the merchants trading under the protection of the Company. To enforce these pretensions, a body of troops moved towards the city of Broach;

which not producing the expected compliance, the reduction of the city was attempted, but without success. The attempt, however, so alarmed the Nabob that he consented to an accommodation; and, with this view, repaired to Bombay; where the English, after requiring twenty-eight lacks and a half of rupees on the accounts before-mentioned, and adding to the sum upwards of two more for the expenses of the recent expedition, at length consented to accept four lacks in satisfaction of all demands. Even these terms the Nabob considered, probably with justice, as severe; and, although he acquiesced in them, endeavoured to evade a fulfilment of his engagement. The result was another British expedition against Broach, in the year 1772; in the sequel of which, the city was stormed and the district subjugated. This enterprise, it is said, had been principally promoted by the commander, an officer of rank, who headed the British on the occasion; and who, indeed, may be said to have paid the price of his counsel, as he was slain in the attack. It may be proper to observe, that both the expeditions sent from Bombay against Broach were strongly reprobated by the Company at home.

The affairs on the coasts of Coromandel and Malabar have now been suffered to withhold too long the attention of the reader from those of Bengal; a subject peculiarly interesting, on account of the authority which the British had acquired in the internal administration of the country. Before,

however, any account is given of the measures of domestic economy adopted by the Calcutta government, it should be stated that, in the month of February, 1770, the Nabob Syef ud Dowla died. His successor was his younger brother, Mubarick ud Dowla, a boy of thirteen; on whom a revenue was settled of about thirty-two lacks of rupees, or £350,000 sterling; but this revenue afterwards underwent a farther reduction.

The premature death of Syef ud Dowla revived, among the enemies of the subsisting authorities at Calcutta, those imputations which had, three years before, been excited by the similar end of his brother and predecessor. The principal accusers on the occasion were persons who had individual causes of prejudice against the Company or some of their leading servants in Bengal, and who were in England at the time when the young Nabob died. No evidence was ever offered of the charge; nor, indeed, did the charge itself ever assume a more explicit or tangible shape than that of insinuation. The contemporary account given by the authorities at Calcutta is that the Nabob, having caught the infection of a malignant small-pox, which was then raging at Moorshedabad, and being of a habit ill fitted for a successful struggle with that disorder, died, after an illness of eleven days.*

* Letter from the Bengal Government of 18th March, 1770—Verelst's View of Bengal.

If this representation was false, it was at least sufficiently minute to admit of very distinct contradiction and disproof. But, although Mr. Verelst, a gentleman intimately acquainted with the proceedings in Bengal, of which province indeed, he had been governor, till very shortly before the death of the Nabob, formally invited such contradiction, his challenge was met by the accusers, either with silence, or with ironical recantation. Under these circumstances, nothing seems left but to remark the inherent improbability of the charge.

The immediate agents in the perpetration of the alleged murder are insinuated to have been the members of the Bengal government; who, of course, if guilty, must have been actuated by the hope of emolument, either in their own behalf, or in that of the Company. But in the state of ascendancy at which the British had now arrived on the scene of Bengal, whatever advantages, either of a public or of a private nature, could possibly be expected from the proceeding, might more safely have been attained by the exertion of influence. Even, however, if we conceive that men of ordinary sense could be such indifferent economists of their villainy as to expend it so profusely on objects which might have been had at a far lower price, the accusation under review will still be encountered by presumptions of the strongest kind. If the Presidency or the Resident at the Durbar were bribed to assassinate the reigning

Nabob, it is difficult to comprehend why the successor, by whom or by whose guardians the bribe must have been given, should not have been allowed better terms. If the parties in question acted solely with a gratuitous view to the interest of the Company, it is hard to imagine such an union of lofty disinterestedness and atrocious perfidy as their conduct would bespeak. Lastly, If the Company themselves instigated and rewarded the crime, the transaction could scarcely take place without a degree of publicity little consonant to its nature. Opposed to these alternative improbabilities, there is the plain and very explicable fact, that an intemperate youth fell a victim to the effect of an epidemic disorder.*

* It may not be improper to subjoin, in this place, some slight account of the writers principally responsible for the extensive circulation of the dark surmises, which the text attempts to expose. They were Colonel Alexander Dow, in the preliminary discourse prefixed to his History of Hindostan, as well as in the Appendix to that work; and Mr. William Bolts, in his Considerations on the Affairs of India; persons, both of whom had resided for a series of years in India; and both, but particularly the latter, were writers of some talent.

Had these gentlemen, in their representations of the new and strange course of transactions commenced in the East, sought rather to furnish an accurate plan of the right and the wrong, of the correct path and the aberrations, than to strike wonder by a glaring picture of disorders and confusion, they would have deeply taxed the gratitude of mankind. But they wrote under circumstances which almost necessarily precluded the exercise of such rigorous impartiality. Colonel Dow had borne a part in the mutiny

But it is unnecessary to expatiate farther on this subject. One of greater importance demands no-

mutiny of the officers of the Bengal army; and seems, from the period of that event, to have retained a bitter resentment against the person and policy of Lord Clive. Mr. Bolts had served the Company in a civil capacity, and had prosecuted extensive speculations in the inland trade; during the course of which, he successively became embroiled with the governments of Mr. Vansittart, Lord Clive, and Mr. Verelst; and the whole of his intermediate residence in Bengal, by whatever fatality, was, as Mr. Verelst justly expresses it, "one scene of complaints, replies, "reprimands, and contentions;" until, being compelled by the government to quit the country for England, he brought hither all the collected resentments of six years. From writers thus circumstanced, it is not difficult to guess what sort of histories of the Company might be expected. The works of Colonel Dow and Mr. Bolts are distinguished by much exaggeration, by not a little positive misstatement, and by the free use of those sarcasms and insinuations which, while they convey much to the hearer, pledge the accuser to nothing.

Of the misstatements of Mr. Dow, an instance occurs in the following passage respecting the acquisition of the Dewannee. "Our Governour," "Lord Clive, "conscious of his power "over the Emperor, and having the absolute direction of a Na- "bob who owed his elevation to the Governour himself and to "his own crimes, he threw aside the former treaty; a perpetual "commission for the office of Dewan was obtained." The Nabob plainly meant in this passage was Meer Jaffier, who, so far from being on the musnud at the time when Lord Clive acquired the Dewannee, had died before that person reached Bengal. What seems curious, this fact is afterwards stated by Colonel Dow himself, under a complete unconsciousness of the palpable contradiction into which he had fallen. Another instance of his inaccuracy is furnished by his account of Sujah Dowla, whom, as having been patronized by Lord Clive, this author takes

tice; the territorial management of the three provinces, during the few years immediately subsequent to the acquisition of the Dewânnee.

takes great pains to degrade in the estimation of the public. Among other expedients adopted for this purpose, he studiously represents the Vizier as a man of low and dishonourable extraction. "The infamous son," he is pleased to say, "of a still "more infamous Persian pedlar enjoys the extensive province of "Oude." The errors of this representation, the reader will find fully exposed in the Life of Shah Aulum, written by Mr. Francklin.

Mr. Bolts has offended by similar unfairness or precipitancy. The acquisition of the Dewannee he condemns as "highly in-"compatible with the Company's engagements, then subsisting "with the Nabob," and this sentiment is more than once brought forward. The author, however, should have known, or, knowing, should have mentioned, that Lord Clive (as has been stated above in the text,) had, previously to his application for the Dewannee, obtained the full consent of the reigning Nabob. Nor would it have availed Mr. Bolts to reply that, in his judgment or suspicion, that consent was not fairly obtained. The disputant who professes to state the facts of a contested case is not authorized to suppress a circumstance thought material by the opposite party, however immaterial or inconclusive he himself may deem such circumstance. In somewhat of the same manner, Mr. Bolts, while scrupulously careful to recount the injuries, real or imaginary, suffered by the native princes from the British, has forborne to balance his account by an enumeration of the undoubted injuries suffered by the British from the native princes. Of the atrocities committed by Serajah Dowla on the capture of Calcutta, he scarcely affords a hint; and he passes in profound silence over the vindictive cruelties of Cossim Ali. It would seem as if he had feared to break in on the unity of that impression of horror which he was studious of inspiring against the actions of the Company.

The

It will previously be necessary, however, to afford some general view of the mogul system of

The political notions of these two authors had been, it may be suspected, rashly and arbitrarily assumed, rather than regularly developed from some definite elementary principle. Mr. Dow deliberately recommends, and his opinion is cited with approbation by Mr. Bolts, that Great Britain should subjugate the entire Empire of Hindostan by force of arms. The advantages, he says, of such a conquest are obvious; for "it would pay as "much of the national debt, as government should be pleased "to discharge." In answer to a possible objection on the score of justice and humanity, the author proceeds to remark that "it would be promoting the cause of justice and humanity to "pull those petty tyrants from the height to which their villainies "have raised them, and to give to so many millions of mankind "a government founded upon the principles of virtue and jus-"tice." Now the unjust encroachments of the British on the native princes are the favourite topics of the two writers under consideration; and, in this connexion, Mr. Bolts, in particular, dwells on *the faith of treaties* with such monotonous perseverance as would weary all patience, could sounds significant of justice and humanity ever prove wearisome. At the time, however, when they proposed the conquest of Hindostan, there were about twenty Indian princes of various ranks to whom the British faith had solemnly been pledged by treaty; and all these obligations were to be violated, all these plighted friends were to be trampled under foot, in the accomplishment of a project more ambitious and more extravagant than ever inflamed the dreams of Alexander after a debauch at Babylon; and on that dreadful plea of universal good, for which ambition has never been at a loss in justifying her inflictions of individual evil.

With respect to the topic which has more immediately called forth this note, the imputed murder of the Nabobs of Bengal,—a few words here will suffice. The dark hints and sneers in which Colonel Dow and Mr. Bolts had indulged themselves on this subject drew from Mr. Verelst a plain and manly statement of the circumstances attending the deaths of the Nabobs Nud-jum

finance; otherwise, the account of the successive measures of territorial economy adopted by the

jum ud Dowla and Syef ud Dowla, accompanied by a distinct challenge of disproof. Colonel Dow and Mr. Bolts were then both in England. The former observed a complete silence. The latter replied thus: "Mr. Verelst has made it necessary for "the writer to acknowledge, in justice to the noble Lord "(Clive), and his Durbar resident (Mr. Sykes), that he did "not mean to convey an imputation against any *European* "whomsoever, for the *sudden deaths* alluded to in the first part "of the Considerations." (Part II. page 198.) Afterwards, in reference to the evidence given by Lord Clive, that the former of the two Nabobs had died "of that sort of fever which "affects the nose, and is generally supposed incurable," Mr. Bolts adds: "Notwithstanding all former appearances and suspi-"cions, out of deference to the very respectable authorities that "have established the fact, the writer must now acknowledge, "that the Nabob Najim ul Dowlah died of a fever in his nose." In penning this sentence, the writer must have totally forgotten the reproof which, only two pages before, he had himself dealt at Mr. Verelst for a misplaced attempt at wit. "To shew atten-"tion," he there observes, "to such matter, when employed "to elude solid arguments on the most momentous concerns of "mankind, would be equally to merit the reader's contempt." It should be observed that, when the death of Syef ud Dowla took place, both Colonel Dow and Mr. Bolts were in England.

Nothing more, surely, needs to be added on this subject; but it may, perhaps, amuse the reader to peruse the somewhat striking passage in which Colonel Dow vents the imputations alluded to. "The princes whom we raised in Bengal, vanished "imperceptibly from their thrones. Light and unsubstantial as "the shew of power with which, as in derision, we invested "them, they disappeared, like Romulus, but without a storm. "The benefits derived from former revolutions created a love of "change; and the angel of death, if not our friend, was very

British government in Bengal would scarcely be intelligible.

Throughout India, the grand source of revenue is the land; and the principle of assessment seems originally to have been an annual division of the produce between the sovereign, the landholder, and the successive orders of renters, sub-renters, and cultivators. In Bengal, however, the rent was paid in money; and the sum consisted of two parts; the one, the original ground-rent, supposed to have been fixed in the year of our æra 1582;

" opportune in his frequent visits to the Musnud. In the course " of five years, three nabobs expired; and the unfledged sove- " reign who acceded to the nominal government of Bengal on the " March of 1770, has already enjoyed, considering the times, " a long reign. Nabobs, to own the truth, are useless; and they " are dismissed to their fathers without either ceremony or noise." (Hist. III. p. 89.) Dow is reported to have enjoyed the assistance, in his composition, of the writer of some translations of Celtic poetry which have occasioned considerable controversy. Whether the poetry be wholly genuine, wholly fictitious, or partly the one and partly the other, (for this is not the place to agitate any discussion on such subjects,) it might be expected that the peculiar style of the English version would be detected in other performances from the pen of the translator; and, perhaps, it may seem no very fanciful idea that the passage just quoted exhibits, together with some bad taste, a faint degree of that point and solemnity, that union of emphatic expression and gloomy imagery, which confers on the poems in question so marked, striking, and individual a character. It may be observed, however, that, in his supreme anxiety for effect, the author has, with somewhat of poetic licence, swelled his catalogue of vanishing princes by the introduction of the Nabob Meer Jaffier, who died at an advanced age and with a shattered constitution.

the other, a percentage on the original sum, variable from year to year.

The annual amount to be paid was settled, in the first instance, between the government and the Zemindar, or landholder. Whether the Zemindar was considered as actually a proprietor of the soil, or merely as an official functionary employed in the collection of the revenues, became, at a subsequent period, the subject of warm controversy: but, if the latter be the true account, it is at least certain that prescription had at length invested this order of men with a great share of the proprietary character. The negotiator on the part of the government was, during the vigorous times of the empire, the Dewan, who received his appointment immediately from the Court of Delhi; but, when the various nabobs and subahdars became independent, the Dewan sank into a mere creature of the local ruler, who, from that period, himself dictated, and frequently formed in person, the terms of settlement with the Zemindar.

The Zemindar, having made his engagement with the government, relet his land in portions to the several farmers; these made over their leases, entire or in part, to inferior renters, and these, again, underlet to a still lower class, who entered into terms with the ryots or cultivators of the soil. Such was the general outline of the system. Its details, and the exceptions or modifications to

which its fundamental principle was subject, need not in this place be particularized.

It will easily be believed that such an economy proved fertile of abuse. The standard of assessment, in the original agreement between the government and the landholders, was the presumed capability of the land to pay; on which subject the ruling powers might form their own opinion. The landholders and successive underletters possessed the same privilege; but with so much reference to the determination of their superiors, that, for every increase, whether just or not, in the assessment fixed by those persons, they very naturally indemnified themselves by a proportionate increase of their demands on the classes below. The cultivator, in this manner, not only suffered from the naked circumstance of the variableness in the rent which he paid; but was subject to the compound amount, if it may be so called, of the caprice and injustice of all the superincumbent orders. If, even thus far, the system led to oppression, its evils were considerably aggravated by a peculiarity in the Mahomedan jurisprudence. Under the Mogul government, the landholders and farmers of the revenue were invested with an irregular species of jurisdiction over the districts comprised within their respective grants; that is, they were, in effect, armed with the power of enforcing the most licentious exactions by the abused authority of justice. Against oppressors thus accredited by the law, the cultivator had no

certain defense; he had, however, one miserable refuge, in the plea of poverty; which, of course, where it could not be urged, as it generally might, with truth, was supported by every variety of artifice and chicane.

Under the administration of a resolute and enlightened ruler, the burdens of the cultivators were probably much alleviated. The ruler was the natural friend of the humble ryot, as he was the natural enemy of the wealthy zemindar. Yet, even in such a case, favourable as it was, the ryots were too much exposed to extortion; and that, from the ruler himself, when particular circumstances rendered it convenient for him to amass an extraordinary quantity of treasure. But, under a feeble government, or in unsettled times, the sufferings of the ryot had scarcely any bounds; for, secure of impunity, or eager to make the best advantage of an uncertain tenure, the zemindars gave free scope to their tyranny. In this view, it cannot be denied that the connexion of the British with the provinces proved, in the first instance, unfavourable to the happiness of the ryots, and, consequently, to the productiveness of the revenues. The mischiefs of a divided and of a precarious government were felt at once. The instability of public affairs operated as a warning on the landholder to profit by every offered opportunity of gain; while such opportunity he could not fail to find, amidst the general derangement of the community, and under the

disabled authority of his proper superior, the Nabob. The only exception to this remark, was not therefore of advantage to the ryot. Cossim Ali governed with energy; but the accomplishment of his plans, whatever they were, required an abounding treasury. Eager, and perhaps precipitate, to provide himself with this essential resource, he racked the country for revenue; nor can a more decisive proof be required of the activity with which his collections were effected, than that, on his flight into the upper India, and after the conduct of a very expensive campaign, he conveyed with him, as there is good reason for believing, treasure to the amount of between two and three millions sterling.

On the acquisition of the Dewanee by the English, it was determined, as has before been stated, that the ostensible administration should still be conducted by the native government. For some time, therefore, after that event, the British authority did not directly or visibly interpose, excepting with regard to the districts which had previously been ceded to the Company by the Nabobs Meer Jaffier and Cossim Ali. Every where else, the agency of the native government was continued, with no farther qualification than resulted from the exercise of a general superintendance by the British resident at the Durbar of the Nabob. Subject to this ultimate restraint, all the duties comprised in the office of the Dewannee, that is, the assessment and collection of the revenues and

the distribution of civil justice, remained with the Nabob and his ministers; the internal concerns of the provinces were transacted exclusively by the native officers of the country government; and these persons constituted the only regular medium through which the resident could receive the information on which, in his superintending capacity, he was to act. At the same time, the Nabob retained, of course, the judicial authority in criminal matters, and the regulation of the public police, these functions not being properly included within the province of the Dewan.

This arrangement had been dictated to the British by a spirit of moderation and by considerations of policy; but its effect was only to perpetuate, in a great degree, the evils of what has already been described as at once a divided and a precarious rule. The country did not, indeed, suffer from any rapacity on the part of the British government, or of their representative, the resident at the Durbar; for the amount of the revenue assessed was regulated according to the best information which could be obtained respecting the average quantity of the produce raised. That information, however, proceeded from the native officers employed in the collections; persons who, if they had no interest in making a false report, had certainly none in reporting the truth. With respect to some other points, meantime, on which the same officers were the principal or exclusive channels of intelligence, they

had both the strongest inducements, and the best means, to deceive the British government. Perceiving the unsettled state of affairs, they were led to extort and to oppress; their ingenuity was exercised in eluding detection; and the facility of the design encouraged them to persevere. On the other hand, the landholders, as might have been certainly foretold, protected themselves against the exactions which they sustained, by defensive depredations on the lower renters, who still successively devolved the burden in a descending series.

The effect of these circumstances was the gradual impoverishment of the country; an effect, however, to which other causes greatly contributed. Invasion or intestine war had repeatedly recurred; and, after the restoration of peace in Bengal itself, the presidency were under the necessity of making large remittances to the coast, for the support of the destructive campaigns against Hyder Ali. It must be acknowledged that the abuses in the inland trade of British individuals, abuses, which all the regulations of Clive had not been able entirely to suppress, also concurred in aggrieving the native population; and to these was added a new set of evils, collaterally but almost unavoidably occasioned by the transfer of the revenues from the treasury of the Nabob to that of the British government. As the new wealth thus accruing to the Company could be realized in Europe only through the medium of

commerce, the orders for the Bengal investment were at once very largely augmented. This enhanced demand could not immediately be met by a proportionate augmentation in the supply of the commodities required; and, as a remedy for the difficulty, the native agents of the Company too frequently made use of compulsory measures to secure to themselves a pre-emption of the market by the exclusion of the country dealers.

Such a combination of evils could not fail to produce distressing consequences. The commerce, both inland and maritime, of the country, declined; the standard of the revenues could not, even by dint of increased exertions, be maintained; nor can it be questioned that, by the year 1769, the internal condition of the provinces had become considerably worse than at a period twelve years earlier, when the ascendancy of the British first commenced. Thus far, therefore, the operation of that ascendancy had apparently been unpropitious; not, indeed, from that iniquitous misuse of power of which vulgar declamation so frequently affixes the stigma to the name of the Company; but partly, from the less heinous errors or failings incident to an untried situation; and partly, from the scarcely resistible force of circumstances.

There was yet, however, in the national genius and principles of the British, what might retrieve the faults and rectify the disorders that have been described. In the year before mentioned of 1769, the resident at the Durbar, Mr. Becher, a gentle-

man not more distinguished for his honesty and integrity than for his local experience, (for he had resided under the administration of Alaverdi,) entered into minute and laborious investigations respecting the actual state of the country, together with the causes to which that state was owing, and submitted a full and free representation on the subject to the presidency of Calcutta. The presidency, of which Mr. Verelst was at that time the head, took the matter into very serious consideration; and the result was the adoption, towards the close of the year, of a measure from which may be dated a new æra of territorial economy. European servants of the Company were appointed to act in the districts, under the denomination of supervisors. The term accurately designates the office, which was to inspect the conduct of the functionaries employed in the collection of the revenues and the administration of civil justice, as well as to investigate the extent, the productions, the trade, and the capabilities, of the several districts, with a particular notice of their comparative state in reference to past times, and, on all these points, to make a report accordingly to the resident at the Durbar, or, in the Behar province, to the chief at Patna. Beyond, however, the provinces of inspection and report, the power of the supervisors did not extend. The measure was, soon afterwards, farther matured by the establishment of councils of revenue at Moorshedabad and at Patna, of which the resident

presided over the former, and the chief at Patna over the latter, and which were respectively to discharge the financial functions before vested in those two individuals.

To the native agents, this change of system was, of course, highly distasteful; and they set themselves to obstruct its operation, by impeding or embarrassing the enquiries, and misrepresenting the conduct, of their new superintendants. In spite of this opposition, however, the regulation soon gave more than the promise of great benefits. The presence of a British censor overawed rapacity and malversation. The researches which took place in the interior concerns of the provinces elicited much information of the most important nature. It seemed, in short, as if every thing might be expected from the new plan, when the wishes of the government, and the hopes of the cultivators, met with a terrible and an unlooked-for interruption. Of the calamity which produced this effect, a succinct account is here necessary.

The native people of the provinces of Bengal subsist chiefly on rice; of which the ground annually produces two crops; the one, late in August, the other, early in December; and with such exuberance, that Bengal is generally considered as the granary of India. This plenty, however, is balanced by occasional dearth, or even famine; a casualty, against which indolence and fatalism have ever prevented the inhabitants from making provision by the reservation of a surplus stock.

The rice crops of December 1768, and August 1769 were both scanty; and that of December 1769 almost totally failed, from the want of those heavy periodical rains that usually fall in October. Some hope was however placed in the crops of certain inferior kinds of grain and pulse generally reaped between February and April, and every endeavour was exerted to increase those crops; but, the drought still continuing, the greater part of these died on the ground. Destruction now seemed inevitable; for the same calamity extended to the upper India, and there was no neighbouring country which could afford any assistance adequate to the occasion.

Both the English and the native governments had early taken the alarm, and had adopted such precautions as were within their reach. It was attempted to procure imports of grain from abroad, but with little or no effect. In September, 1769, all the English and their dependents were absolutely prohibited from trading in rice; lest, under the temptation of prices immensely advanced, European influence should in any form operate to collect such undue quantities as might aggravate the scarcity. General injunctions also, and of a strict kind, were published against the hoarding of grain, and against all sales or purchases of the article in any other place than the public markets. Whatever may be thought respecting the wisdom of some of these regulations, their humanity at least will be allowed. They

were accompanied by another most necessary, though less pleasing, act of policy. A stock of rice, amounting to sixty thousand maunds, was laid in for the use of the army, a measure, the neglect of which would, beyond question, have issued in the total overthrow of the British power, and in the complete anarchy and ruin of the provinces; for by no other expedient could the allegiance of the soldiery have been secured during the severe exigency that was approaching. In all these proceedings, the prime mover was still Mr. Becher, the resident at the Durbar.

The famine was felt in all the northern districts of Bengal as early as the month of November 1769, and, before the end of the following April, had spread devastation throughout the three provinces. Rice gradually rose to four, and at length to ten times its usual price; but, even at that rate was not to be had. Multitudes, after seeking a miserable subsistence from the leaves and bark of trees, strewed the fields or highways with their bodies. Others were seen eagerly crawling, in troops, towards the cities; the corpses of those that successively sank under the effort, marking out the tracks of this melancholy and wasting procession. The cities, meantime, thronged beyond their ordinary population, seemed to present one scene of animated mortality. In many places whole families perished; in others, the people of entire villages. Hunger frequently occasioned a resort to practices that shock huma-

nity; for not only did some sustain themselves with the flesh of forbidden and abhorred animals, but there were instances, in which the child fed on its dead parent, the mother on her child.

During this season of horror, nothing was left uneffected that generous pity could suggest for the alleviation of calamities without a remedy. The utmost endeavours were used in bringing to market all the produce which the country contained. Subscriptions were set on foot for the support of the poor; the Company, the Nabob, the ministers, private Europeans, and native gentlemen of opulence, vying together in the liberality of their contributions. In Moorshedabad alone, seven thousand persons were daily fed for several months; and such were, at this period, the benevolent anxiety and exertions of Mr. Becher, the resident at the Durbar, that they terminated in an illness which had nearly proved fatal. But, unless these efforts could have drawn showers from the sky or grain from the ground, they obviously could be of no real avail; nor did the myriads expiring around derive from them any benefit, beyond the consolations of that sympathy to which, even in the last extremity of wretchedness, human nature is yet not wholly insensible.

Such was the celebrated famine of 1769-70; which has been thus circumstantially described, not because it forms a striking and picturesque object, but because circumstances have rendered it important in a very different point of view.

This work of complicated destruction has been imputed to the avarice and cruelty of British monopolists. The tale seems to have originated at the French settlement of Chandernagore; but it was speedily naturalized in our own country. Descriptive writers, both historians and poets, have, perhaps naturally, seized on a subject of such tragical interest; and even those who admit the reality of the famine in question, have not been able to refuse their delineations of it the garnish of an extensively co-operating and aggravating monopoly.* The persons most particularly implicated in the charge, are Mr. Becher, the resident at the Durbar, and his predecessor in that office, Mr. Sykes, who was afterwards Sir Francis Sykes.

To the writers who have urged these accusations against the Company or their servants, an exception occurs where it might not at first view be expected. The peculiar system of Dr. Adam Smith has led him to deny the possibility of combinations among the grain dealers of a country, and to reprobate the popular clamour which the occurrence of a scarcity seldom fails of exciting against that order of men. In Europe, this author expresses his belief that a dearth has never arisen from any other cause than a real scarcity, nor a famine from any other cause than the inju-

* Short History of East-Indian Transactions.—Hindoo Rajah's Letters, &c. &c. &c.

dicious attempts of the government to remedy the inconveniencies of a dearth. "In rice countries," he proceeds, "where the crop not only requires "a very moist soil, but where, in a certain pe-"riod of its growing, it must be laid under water, "the effects of a drought are much more dismal. "Even in such countries, however, the drought "is, perhaps, scarce ever so universal, as neces-"sarily to occasion a famine, if the government "would allow a free trade. The drought in Ben-"gal, a few years ago, might probably have oc-"casioned a very great dearth. Some improper "regulations, some injudicious restraints, imposed "by the servants of the East-India Company "upon the rice trade, contributed, perhaps, to "turn that dearth into a famine."* From these and other contiguous observations, it would appear that Dr. Smith, so far from charging the aggravation of the dearth in Bengal on the rapacity of the British, ascribes it rather to their misdirected humanity.

Since no evidence has ever been adduced of the pretended monopoly, the accusation might, on that ground alone, be dismissed as false. The foulness, however, of the offense alleged, and the currency which, through the agency of authors less enlightened than Dr. Smith, the story has obtained, may justify the introduction of some farther comments on the subject. With regard

* Wealth of Nations, Book IV. Ch. v.

to the article of authority, the reader is assured that all the most authentic and trustworthy testimony which he shall consult,—and many eye-witnesses of the calamitous event under consideration are yet alive,—will distinctly convey to him the impression that the allegation of monopoly is, from beginning to end, a mass of pure fiction. Farther, the members of the Bengal government, appointed from England by parliament in 1773, with a special view to the discovery of abuses, persons equally zealous and intrepid in the execucution of their trust, always spoke of the famine as of a natural and an inevitable evil. Lord Cornwallis, had he not formed the same judgment, would surely not have confined himself to the simple preventive which he adopted against the recurrence of scarcity, namely, an establishment for storing the surplus produce of abundant years.

In the passage quoted above from Dr. Smith, it is justly stated that, from the peculiar nature of rice, the effects of drought are incomparably more fatal in countries where that article forms the staple food, than they ever prove in Europe. The truth is, however, that not merely a partial but a total failure of crop not seldom occurs in the countries described. The most desultory research into the economical history of the regions constituting the Mogul empire will supply numerous instances of extensive famine; nor does there seem

the smallest doubt that all these had their source in natural causes.

But the same conclusion, surely, must be forced on every unprejudiced mind, by a bare survey of the facts of the case. The solicitous efforts, both of the British government and of British individuals, to relieve the distresses occasioned by the famine, do of themselves constitute a standing argument of probability, against the supposition that those distresses were brought about by British agency. The remark peculiarly applies to the resident at the Durbar, who, on the most vague surmises, has been traduced as the author of evils which he almost perished in the attempt to mitigate. Nor does the imputation appear much less shameful with regard to Mr. Sykes; the truth being, that this gentleman actually resided in England at the time when, according to the popular representation, he was harrowing up, with his vigilant rapacity, the whole province of Bengal. A far stronger argument, however, than this, results from the simple circumstance of the immense extent to which the famine operated. He who is acquainted with the reasonings by which Dr. Smith establishes the impossibility of a monopoly of grain, will instantly perceive that most of those reasonings become more than ordinarily cogent with reference to so great an area of country as the three provinces of Bengal. But a few short reflexions on the subject may, without reference

to the general theorems of Dr. Smith, lead to the same result.

The number of persons who perished of the famine in twelve months, is computed to have been upwards of three millions, or about one fifth of the population of the three provinces.* But, in order to account for this horrible destruction, and for the scarcely less shocking distresses of millions who survived, it is evident that we must suppose the supply of grain deficient by much more than one or even two fifths. Let us then take the defect of the supply to have been, what probably it exceeded, three fifths; and, to exclude cavil, let it be farther assumed that monopoly was responsible for only one third of this defect. Then, of the crops on the ground, those crops being already short of the ordinary medium by two fifths, the monopolists must have bought up one-third. Their purchases would of course be made at various points throughout the provinces, as convenience dictated; but, in order to simplify the calculation, and, at the same time, to adopt the supposition least favourable for the purposes of the

* That is, the population is here computed at sixeen millions. This estimate is necessarily conjectural. It exceeds by four or five millions the universal estimate at the time when the famine took place; which estimate was undoubtedly too low. On the other hand, the present population of the three provinces is said to be thirty millions. That a very great increase has taken place within the last thirty years, is certainly in the highest degree credible.

present argument, let it be supposed that the dealings of monopoly consisted in the pre-emption of entire crops through a continuous extent of country. Now the three provinces contain 150,000 square miles; out of which the range of the alleged monopoly would comprise one third or 50,000. If, then, we assign fifteen square miles for the sphere of one monopoly-agent, which, surely, even after allowance for water, is the utmost that he could compass, and if we farther reckon no more than two assistants to each agent, we shall thus have 3,333 monopoly-stations, and ten thousand persons employed. Is it credible that such a vast body of establishments could have existed, or such a mighty system of operations been conducted, with any pretence,—not of secrecy, for to mention that would be ridiculous,—but of common decency, or even of safety? Would the population of Bengal, a race as querulous as they are passive, have submitted to outrages of so flagrant a nature, not only with abject endurance, but even in profound silence? Would the historians, orators, and elegists, who have asserted the fact of the monopoly, have been reduced to no better proofs than vague rumour and obscure surmise, had the monopolists thus erected, in the view of the whole world, an enormous pile of evidence to their own condemnation?

Such are some of the absurdities chargeable on the hypothesis of a monopoly; and they have re-

sulted from what surely cannot be considered as a very exaggerated view of the assumptions which that hypothesis necessarily involves. On the contrary, it would be very easy to point out many other difficulties than those already mentioned, for which the accusers are bound to provide. What with the sums requisite for the immense purchases supposed to have been made by the monopolists, and for the costs of collection and management unavoidable in such a vast concern, the project must have needed so prodigious an extent of capital as, with the most lavish allowance for the alleged rapacity of the British in India, we cannot possibly imagine any moderate number of individuals to have possessed. Omitting this consideration, however, it will still be for the accusers to explain why the incredibly great enhancement of prices did not, in the event, draw the engrossed grain into the market. If the grain remained in the country, we must suppose the inexorable firmness of the combined speculators to their common purpose for upwards of a twelvemonth; and this, amidst the most forcible demands on the compassion of all and the selfishness of each, that imagination can conceive. If it did not remain, what account is to be given of it? Was it destroyed? was it exported? What art of annihilation effected the silent and invisible destruction of so mighty a range of granaries? What power of mechanical creation called up the tonnage which could convey away a fifth part of the ordinary produce of Bengal; or what magic

rendered the shipment and the transportation of such a freight imperceptible?

On the whole, whatever culpability may attach to the conduct of the British in India, it is a consolatory reflexion that, from the offence now under examination, there are the most satisfactory reasons for believing them wholly pure. Some retention of grain may have taken place among the native dealers; a retention which, in a period of dearth, is natural and even expedient, for it compels a timely economy of the deficient crop. But, with respect to the British, it would be easier to convict them of a short-sighted humanity at the time in question, than of that crime with which malignity, or a love of the marvellous, has branded their name. Dr. Smith, in effect, as has been shewn, takes this very ground. The servants of the Company, according to that writer, contributed to cause the evil only by endeavouring to remedy it. Even this milder accusation appears precipitate. Amidst the real and very great defalcation of the annual supply, the position must seem extremely doubtful that the efforts which were made to break up the hoards of the dealers could produce any important effect on the course of consumption. The evil existed on so large a scale, that it may be believed to have equally disdained assistance from the wilful cruelty, and from the erring benevolence, of man.*

* The account which the author has given of the circumstances that led to the appointment of the British supervisors, and the

Of the mischiefs produced by the famine, the calumnies which it helped to breed proved, if not the greatest, yet certainly the most durable. The waste of population and resources in the three provinces, the lapse of a few years repaired; and the check which, as has been already stated, the measures of the British government for the internal economy of the country sustained, though most serious, was not of longer continuance.

With reference, indeed, to those measures, the year immediately succeeding, or 1771, forms an epoch of importance. Notice has before been taken of the circumstances which, on the first acquisition of the Dewannee, had withheld the British government from a direct assumption of the functions attached to that office. The reasons have also been detailed which, four years afterwards, dictated a relaxation of this policy, in the appointment of the officers styled *supervisors*. The measure, however, was but partial; and the Directors of the Company now thought proper to

the description of the famine of 1770, together with the arguments against the charge of a monopoly, are in a considerable degree abridged from a tract entitled "Observations on the "State of Society among the Asiatic Subjects of Great Britain, "particularly with respect to Morals; and on the means of improving it," which was addressed by Charles Grant, Esq. to the Court of East-India Directors in 1797, and has recently been printed by order of both Houses of Parliament.—The present author has, however, deviated from that work in his assumptions with respect to the amount of the population in Bengal; a subject, on which much light has been thrown of late years; and has otherwise varied the data assumed, but not materially.

enlarge it into one of much greater comprehensiveness. They announced to the government of Bengal that it was their intention "to stand forth "as Dewan, and, by the agency of the Com-"pany's servants, to take upon themselves the "entire care and management of the revenues." This change of system, by whatever consideration it may be thought to have been actually suggested to the Directors, seems to have been requisite on every principle of justice. The previous course of civil administration in Bengal had sufficiently shewn that the combination of the British with the native government resulted in what was not so properly a tempered and regulated as a crippled authority; while, on the other hand, there could be no doubt that the grant which the Company had received of the Dewannee fully included the privilege of a personal discharge of the Dewannee functions.

The orders issued by the Court of Directors in consequence of their resolution reached Bengal in 1772. The government on whom the fulfilment of those orders fell, were new in office, having been nominated only during the preceding year; at which time Mr. Warren Hastings was created Governor General. Mr. Hastings had, during the administration of Mr. Vansisttart in Bengal, distinguished himself as the steadfast and able coadjutor of that statesman; he had since served the Company with credit on the coast of Coromandel; and he assumed the important office to

which he was now preferred, with great reputation for talents and experience.

The instructions of the Directors, with respect to the direct assumption of the Dewannee, were, without delay, carried into effect by Mr. Hastings and his council. Besides the object of transferring to the English the financial and, in civil matters, the judicial administration of the country, the attention of the Government was directed to two others; the immediate introduction of improved methods of procedure into both the departments just mentioned, and the institution of checks on the abuses prevalent in those courts of which the superintendance constitutionally belonged, not to the Dewan, but to the Nabob, the courts of criminal justice. These views issued in the following arrangements.

The seat of the revenue business, together with the treasury, was removed from Moorshedabad, the capital of the Nabob, to Calcutta; and the whole of the fiscal and financial branch of affairs, comprehending, not only the management of the collections, but many among the most important duties of municipal government, was placed under the personal supervision of the governor and council, forming themselves into a distinct establishment, with native officers annexed to it, which had the title of a *Board of Revenue*. The detail of the collections was committed to certain officers, being covenanted servants of the Company, styled *Col-*

lectors; of whom one presided over each considerable division of the provinces, having with him a native associate or assistant under the appellation of *Dewan*. Regulations were framed and published in the native languages, abolishing several oppressive taxes, and substituting, in the conduct of the collections, simple and definite processes for that mixed uncertainty and intricacy which had hitherto proved an effectual cover for fraud. A quinquennial settlement of the revenue was adopted, the lands being farmed to the best bidder.

The chief seats of civil, and, at first, even of criminal judicature, were likewise transferred to the British presidency; where the two principal Mahomedan courts, being courts of appeal, took their station. Of these, it was provided that the Sudder Dewannee Adawlut, as it was called, that is, *the principal Dewannee Court*, or the fountain of justice in civil concerns, should henceforth consist of the governor and council, assisted by native officers learned in the law of the country. But, in the principal criminal court, entitled, from its relation to the Nabob or Nazim, the Sudder Nizamut Adawlut, the dispenser of justice was to be an officer immediately selected by the Nabob, who had, however, as his coadjutors, the Head-Cazi, the Mufti, and three Moulavies, or expounders of Mussulman law; nor could any capital sentence be executed without a warrant from the Nabob himself. The proceedings of this court, meantime,

though not directly regulated, were watched and, in a general way, controuled by the British government, under whose eye they acted.

From each of these appellate tribunals, branched forth a number of subordinate courts, or courts of original jurisdiction, placed at the chief points in the provincial divisions. The inveterate practice of the Mahomedan administration had blended together in the same hands the management of the revenues and the distribution of civil justice. The union, or rather confusion, of these two departments, but with a more precise definition of the functions respectively annexed to them, was for a season continued by the British government. Hence, in every division, the civil court, named the Dewannee Adawlut, was placed under the European collector, assisted by his Dewan and other native officers. Causes, however, of property, where the value concerned should not exceed ten rupees, were determinable by the head-farmer of the district. At the same time, the criminal court, called the fojedarry, although subjected to some general inspection on the part of the collector, was to consist exclusively of native judges; these being the Cazi, and the Mufti of the division, aided by two Moulavies. The collectors, however, were so far invested with the powers of criminal justice, that, under the denomination of *magistrates*, they presided over the public police.

Such was the outline of the system established at this important crisis;—a system, of which parts are open to much animadversion, and which soon underwent various modifications, not always themselves unexceptionable; but which may, notwithstanding, very properly be considered as containing the elements from which the present local constitution of British India has gradually developed itself. Nor, surely, amidst the conflicting praise and censure to which the eventful administration of Mr. Hastings has been exposed, can these, his earliest measures, fail to gain, from an impartial observer, the credit of right intention, on the whole judiciously carried into effect.

The course of the government in Bengal having undergone so momentous an alteration, it might have seemed natural that the British legislature and nation, whatever their jealousy of the Company, should await the result of this great experiment in silence. Circumstances, however, and perhaps, in the event, not unfortunately, caused both to pursue a different conduct. The Company have seldom been engaged in a more arduous contest at home, than they sustained while they were accomplishing abroad the reforms already mentioned. Yet those disputes led to results of no slight consequence; results, also, nearly affecting the internal economy of the Indo-British settlements; and they therefore deserve some exposition in this place.

Mention has been made of the unpopularity which the Company had, a few years before this period, incurred. The causes, too, of that unpopularity, have been explained: on the one hand, the prodigious progress of the whole society in greatness, of many individuals attached to it in wealth; on the other, the misconduct which might, more or less, be charged on several of the servants, magnified by misrepresentation into the deep criminality of all. These circumstances were calculated to rouse into hostility many among the best and the worst feelings of the community,—patriotism and selfishness, generosity and envy, benevolence and malice. Whatever of excitement might yet seem wanting, it has been shewn that the intestine disputes of the India House itself supplied, the appeals, respectively preferred by the conflicting parties to the public, creating a direct medium of communication between the public and the Company. It has appeared also that this state of matters led to a legislative interference in the affairs of India, which interference, however, for a while, scarcely aimed at any other end than that of securing to the nation a share in the Indian revenues.

After the establishment of the regulation which provided for this object, the unpopularity of the Company did not die away; but, on the contrary, was, by the very effect of that regulation, kept alive. They were, at this time, burdened with heavy duties to government, and with the large di-

vidend of twelve and a half per cent. to the proprietors. Their receipts suffered a considerable defalcation; chiefly, through the expenses of the war with Hyder Ali, and from the desolating operation of the famine. They had debts to discharge, and they felt a heavy pressure from some very improvident drafts made on them by the Calcutta government preceding that of Mr. Hastings, drafts exceeding the amount of a million sterling. Under these circumstances, the obligation of an annual payment to the public of £400,000 became intolerable. The embarrassment of their affairs was great; and it produced two effects. First, their distress both immediately lowered their respectability in the eyes of the nation, and subjected them to a suspicion of mismanagement. Secondly, it occasioned aggravated disputes among the members of the Company, disputes which, as before, gradually implicated the public. On the whole, however, the national favour seems to have been more and more alienated from the Company; and this effect was probably farthered by the influence of some publications which, about this time, issued forth against the existing Indian system, and which were composed with at least so much talent as gave their malice wings to fly.*

Under all these circumstances, it is not wonderful that a growing opinion should prevail among the public in favour of a more decided legislative

* See the note in this chapter respecting the works of Colonel Dow and Mr. Bolts.

interposition that had yet taken place, in the concerns of the Company, the royal speech which opened the parliamentary session in January, 1772, glanced at the probable occasion for such interference with a view to the remedy of certain defects and abuses in the administration of Indian affairs. In the succeeding March, the deputy chairman of the Company, being a member of the House of Commons, brought in a bill, of which the chief objects were, to enlarge the power of the Company over their servants, to facilitate the distribution of justice in the Indo-British settlements, and to restrict the governors and members of council from private trade. This bill, however, was, after a second reading, and some warm debate, laid aside, principally, as was declared, on the ground of its inadequacy for the attainment of its professed ends, but, in reality, as we may fairly suspect, because the administration projected some plan of greater extent, and one which should, in some greater measure, draw the Company under the controul of the Crown. These objects, indeed, the introduction of the bill referred to, though abortive, may be thought to have assisted, both by quickening the attention of the House to the affairs of India, and, perhaps also, by deepening their conviction respecting the necessity of a parliamentary investigation on the subject.

In effect, the House did, in the following month, appoint a *Select Committee*, which should enquire into "the nature, state, and condition, of the

" East-India Company," and this committee they revived at the beginning of the next session. While the enquiry was yet pending, the Company determined on deputing a new set of supervisors, armed with extraordinary powers, for the general regulation of their affairs in the East. Before this resolution, however, could be accomplished, the Parliament had again met; another committee, one of *secrecy*, was instituted by the Commons, to examine the state and to inspect the accounts of the Company; and with particular instructions that they would, in the first place, enquire into the recent appointment of supervisors. The result was that, notwithstanding the strenuous opposition of the Company, a bill passed the House, restraining the appointment in question. The leading argument in behalf of this enactment appears to have been founded on the expense with which the new commission would load the Company, at a moment when their distresses had compelled them to solicit the aid of Parliament; a plea, certainly, not altogether sufficient. On the other side, that body, in protesting against the measure, urged with great probability that their difficulties had originated solely in the demands made on them, during several preceding years, by the state.*

The labours of the two committees that have been mentioned, issued in a variety of Reports

* See their reasonings to this effect, detailed in the Annual Register for 1773, page 76.

which are replete with information, somewhat immethodically arranged indeed, yet of high value. It was derived immediately from the principal actors in the first revolutions of Bengal, and is greatly illustrative, not only of the actual situation of the Company at the time when the parliamentary investigation took place, but also of the circumstances under which they had originally assumed a political and military character, and of the nature and system of that government which the British authority had superseded.

The committees having closed their respective enquiries, the legislature passed the *Regulating Act* of 1773;* the first interference, properly speaking, of the national authority in the administration of British India, and an interference which, by whatever motives originally suggested, was, on the whole, undoubtedly directed to good ends. The leading objects of the act were to ameliorate the constitution of the Company both at home and abroad, and to institute securities for the welfare of the natives living under their government. Some sketch of the provisions destined for these purposes may not be unacceptable.

Previously, the local government of Bengal had been vested in a president and council, consisting, in addition to the governor, of twelve or more members, several of whom ordinarily presided at some of the out-stations in the provinces. The

* 13 Geo. III. c. 63.

act under review limited the number of the counsellors, exclusive of the governor, to four, and these were to be stationary at the presidency. In the governor and council, thus constituted, was reposed the whole power, civil and military, of Fort William, with the management of all the territorial acquisitions and revenues in Bengal, Behar, and Orissa. The statute also conferred on the government of Fort William, a superintending and controuling authority over the presidencies of Madras, Bombay, and Bencoolen; especially in matters of war, peace, and negotiation, with the native states of Hindostan. It may be proper to mention that, by subsequent acts of parliament, the councils of those subordinate presidencies have been modelled on the plan here prescribed for that of Calcutta.

The first governor-general and four members of council were nominated by the act for five years; the governor being Mr. Warren Hastings, then actually filling that situation; the senior member of council, Mr. Richard Barwell, also a member of the existing government; but to these were added three gentlemen not hitherto in the service of the Company, Lieutenant-General Clavering, Colonel Monson, and Mr. Philip Francis.

It was expressly enjoined that the governor-general and council should pay due obedience to the orders of the Court of Directors. The forms and systems, at the same time, of that court, underwent material alterations.

By the previous usage, the persons chosen directors, continued in office only for a year, but might always be re-chosen. The act ordained that there should be an annual election of six directors for the term of four years; and that the interval of a year should elapse before an ex-director was again eligible. Before, also, the possession of £500 of the stock of the Company, provided* it had subsisted for the six months preceding an election, entitled the holder to a vote; but the privilege of more than one vote had not, since the establishment of the United Company, been allowed to an individual proprietor.† The qualification was now raised to £1,000, the requisite time of previous possession enlarged to a twelvemonth, and the holders of £3,000, £6,000, and £10,000 of stock, respectively invested with two, three, and four votes, which last numbers, however, constituted the utmost limit of individual privilege. Regulations were likewise adopted to prevent collusive transfers of stock for electioneering purposes.

The statute gave to the Crown, what it had never yet formally possessed, a privity in the affairs, financial and political, of the Company, by

* This condition was prescribed by the 7 Geo. III. c. 48.

† See 9 and 10 W. 3. c. 44. § 64. It was one of the commonplaces of reproach against the Old Company, that, as the number of votes allowed to individuals was wholly unrestricted except by the amount of their stock, fifty or upwards were sometimes collected into a single hand.

the requisition that all advices transmitted from India in those departments, should, within fourteen days after their arrival, be communicated to the administration by the Court of Directors.

The encroachment made on the judicial functions of the Company, constituted, perhaps, a still greater innovation than any of those already enumerated. The old Mayor's Court at Calcutta was set aside, and the King was empowered to erect in its place, a supreme court of judicature, consisting of a chief justice and three puisne judges, who should all be barristers in England or Ireland of not less than five years standing. This court was invested with civil, criminal, admiralty, and ecclesiastical jurisdiction, over all British subjects resident in the three provinces, with the exception of the governor-general and members of council, unless indicted for treason or felony. It had authority also in suits against all persons who, not being themselves British subjects, were in the employ of British subjects or of the Company, or who should voluntarily accept of its decision.

The act, at the same time, prohibited not only to the covenanted servants of the Company, but also to all the civil and military officers of the Crown, serving in India, the reception of presents from the natives. It regulated the interference of Europeans in the internal commerce of the country, totally excluding them from the trade in those articles of prime necessity among the natives, salt, betel-nut, tobacco, and rice, and totally ex-

cluding, from all trade whatever, the governor-general, members of council, judges of the supreme court, and collectors of the revenue. The act, farther, fixed the maximum of the legal rate of interest in Bengal, at 12 per cent. per annum. British subjects offending against its provisions on any of these points, it subjected to specific punishments, on their conviction before the Supreme Court.

The first remark suggested by a view of the arrangements which this act established, is that they were for the most part such as could not have been enforced by the Court of Directors themselves. The only one of them that might have originated with the directors was that which confined the functions of the local governments in India to councils composed of a limited number of members, and those always resident at the seat of government. Even this regulation, trenching, as it materially did, on the inveterate and almost prescriptive privileges of the civil servants of the Company, it would have been an invidious task for the directors to introduce, unsupported by a clear expression of the national will; and all the rest was plainly beyond their competence.

Although, therefore, some differences of opinion may subsist, as to the degree in which this legislative interference was required, there can be none that the objects to which it was immediately directed could not otherwise have been attained. Nor, on the other hand, can it be questioned that

those objects were on the whole good, and that it was well to secure them, even though somewhat earlier than in all points the exigency of the case seemed to demand.

The changes introduced by the act into the political frame of the Indian government, both at home and abroad, suited, in their principle, the altered circumstances of British India. The former constitution of the executive body at home, according to which the directors served only for a year but might always be re-chosen, could, during the purely commercial times of the Company, produce little inconvenience. No qualifications were requisite for the office, which, in the metropolis of the greatest maritime nation on earth, might not sufficiently be had, without a specific training; and a consistency of operation from year to year was secured by the comparative simplicity of the functions to be discharged. At the same time, the situation of a director was not so high a prize as to occasion, in fact, much vexatious competition or frequent changes, under a system which made the subsisting members re-eligible. The annexation, however, to this post, of important political duties and considerable patronage, brought it under new rules. It would now be an object of great ambition; if the vacancies were often to recur, changes would recur also; while nothing could be more necessary than that the time of serving should be long enough to give the functionaries experience and their government stability.

An enlargement of the term would, indeed, still farther enhance the value of the prize contended for; and this enhancement might somewhat tend to inflame the ardour of the previous contests; but far less than it would diminish their frequency and increase their effect; for it would allure a nobler class of candidates into the field, and discourage the claims of adventurous and bustling incapacity. For reasons like these, the term of serving was extended; and yet it was limited to four years, that the proprietors might still have the opportunity of renewing their choice, without a resort to the extreme power of expulsion. Lastly, no ex-director was to be re-elected till after the lapse of a year. The desire of preventing combinations among the directors for their continuance in office probably dictated this enactment; of which, however, the policy does not stand on very clear principles.

The alterations which the statute effected in the constitution of the local government of Bengal, also proceeded on good grounds. A council, unlimited as to the number of its members, was, in effect, nearly a popular assembly; an organ, ill fitted to the executive administration of any state, much more of a state in which unity and decision of movement were of prime importance. But, if the limitation of the number of the members was requisite, it certainly was not less so that the governors of a fast rising empire should be enjoined

to reside uniformly at the seat of government, where alone they could execute their functions with due information, with perpetual concert, and with undistracted attention. In these respects, the system was undoubtedly improved. But it is too obvious that the members of the new government, though men of considerable ability, were selected by a very unfortunate rule. Two, of whom the governor was one, were merely continued from the former administration. The other three (as has already been observed), sent from England, had not hitherto served the Company. That is, the properly Indian part of the government was to be controuled by a majority from England; an arrangement, by which discredit was apparently cast on the former, and a foundation laid for endless jealousies and dissension.

The Supreme Court of Judicature owed its origin principally to a desire of protecting the natives against the oppression of the European residents, of which the English public at that time entertained a strong and exaggerated idea. That the institution was on the whole wise, and that at the present time it serves many excellent purposes, cannot be doubted; but it seems to have been introduced somewhat abruptly among a people extremely litigious, and both accustomed and attached to a more expeditious decision of suits than could be made to comport with the deliberate formality of English jurisprudence.

In the same year which produced the regulating act, the parliament granted * to the Company a loan of £1,400,000 in exchequer bills, to become current in April 1779, on which the Bank of England was authorized to make advances to the king. The conditions of the loan were, that the surplus of the clear revenue of the Company should be paid half yearly into the exchequer till the liquidation of the debt; that, in the interim, their annual dividend should be restrained to six per cent.; and that, until the reduction of their bond debt to £1,500,000, the dividend should not exceed seven per cent.

In closing this historical essay, it may be well to afford some idea of the degree of wealth and prosperity which the Company had now reached. For this purpose, the following brief notices are exhibited, respecting the state of their commerce, territorial revenue, and military force.

EXPORTS.

The average of their exports for eight years, from 1766 to 1773, both inclusive, was

Goods and stores - - -	£550,393
Bullion - - - - - -	121,239
Total, per annum -	£671,632

* 13th Geo. III. c. 64.

IMPORTS.

The average of the prime cost of imports from India and China, from 1770 to 1773 inclusive, was, per annum - - - - - - £1,573,856.*

SALES.

The average of amount received for sales at home, from March 1768 to March 1773, was, per annum - - - - - - - £3,423,397.†

SHIPPING.‡

The shipping in the Company's employ, anno 1772, stood thus:

Abroad and taken up	-	55	Tons	39,836
At home and building	-	30	-	22,000
Total	-	85	Tons	61,836

DIVIDEND.

The Company's dividend had been, from Christmas 1766 to Midsummer 1772, on an average, at about 11 per cent per annum.

In the years 1772 and 1773, and some time after, it was only 6 per cent. per annum.

* Report; Select Committee, June 22, 1784. App. No. 15.

† Report of Directors, February 1784.

‡ Fifth Report; Secret Committee, 1773.

Revenues and Charges.

*Bengal.**

The net revenues collected in the Bengal provinces, for the year ending April 1774, was - - - - - - -	£2,481,404
The civil and military charges were	1,488,435

Fort St. George.†

The net revenues for the year ending April 1774 - - - - - - - - - -			£524,762
Subsidies from the Nabob of Arcot and Rajah of Tanjore, &c. - - -			362,545
			887,302
Charges, *viz.*			
Civil - - - - - - - - -		£51,104	
Military—to be defrayed by the Nabob -	£407,848		
Company - -	269,266		
		677,114	
Fortifications - - - - - -		86,774	
			814,992
Surplus - - -			72,310
Excess of payments for Nabob, &c. as above, *viz.*—Paid -		£407,848	
Received - - - - - - -		362,545	
			45,303
Surplus - - -			£127,613

* Report Fifth; Secret Committee, 1782.

† Report Fourth; Secret Committee, 1782.

*Bombay.**

Net revenue for the year ending April 1774 - - - - - - - - - - -	£109,163
Charges, civil and military - - - -	347,387
Deficiency - -	£238,224

ARMY.

Bengal,† *30th September,* 1774.

European Artillery, 5 companies.
Cavalry, 1 troop.
Infantry, 3 regiments.
Native Infantry, 23 battalions (besides 28 companies of Invalids).

In all, about 27,000 men.

Fort St. George,‡ *in* 1772.

European Infantry - -	3,486	
Cavalry - -	68	
Artillery - -	581	
		4,135
Sepoys - - - - - - - - - -		15,840
Total - - -		19,975

* Report; Select Committee, 22d June, 1784.
† Report Fifth; Committee of Secrecy, 1782.
‡ Report Ninth; Committee of Secrecy, 1773.

Bombay, April* 1774.

Artillery	- - - - - - - -	434
European Infantry	- - - -	1,620
		2,054
Sepoys	- - - - - - - - - -	4,346
Total	- - -	6,400

* Report Fifth ; Committee of Secrecy, 1782.

THE TANJORE MAHARAJA SERFOGI'S SARASWATI MAHAL.

CHAPTER IV.

A summary view of the changes in the internal administration of British India, subsequent to the Regulating Act of 1773.

It has been stated, in the last chapter, that Mr. Hastings, at the commencement of his administration, in 1772, adopted various measures for the realizaton of the territorial revenues of Bengal. Among these, were the appointment of provincial collectors, being servants of the Company, and the settlement of the lands for a period of five years.

The quinquennial term, though far preferable to the single year usual under the Mahomedan system, was perhaps scarcely of sufficient length to inspire the landholder with the requisite degree of confidence. The settlement, besides, having in all cases been made with the highest bidder, the zemindar, or proper landholder, had in many instances been superseded by the mere farmer of revenue; who naturally entered on his temporary occupancy in the spirit of an adventurer, resolved at all events, to make the most of his speculation. It seems also that the competition of the bidders

had been somewhat excessive. The sequel was that, either from the exorbitancy of the rents settled, or from the unthrifty management of the farmers, or from a combination of causes, the renters proved unable to fulfil their engagements. At the end of the five years, the returns exhibited, in remissions and irrecoverable balances, a deficit exceeding two millions sterling.

Long before the actual expiration of the term, the ill success of the experiment was but too plain; and the government instituted some alterations in the mode of collection. The office of the collector was abolished, and the functions attached to it were vested in provincial councils, each consisting of a chief and council, with native assistants.

This change, which took place in 1774, affected only the machinery of the financial administration; the quinquennial settlement itself remaining untouched. But, as the five years drew to a close, the whole subject occupied the deep attention of some members of the government. Two plans for the future settlement and collection of the revenues were framed, and were submitted to the consideration of the Court of Directors; the one, by the governor general and Mr. Barwell, one of the members of council; the other, by Mr. Francis, also a member of council, now Sir Philip Francis.

These gentlemen appear to have concurred in the opinion, since warmly combated, that the ze-

mindars were, in a strict sense, proprietors of the soil. At least, this position is decisively laid down by Mr. Francis, and is no where negatived by the other writers. They also agreed that it would be expedient to reinstate such of the zemindars as had been displaced on occasion of the former settlement. They agreed, farther, that it was requisite to alleviate, as much as possible, the pressure of taxation on the country. But, in the application of these principles, they did not altogether coincide.

According to the plan of Mr. Hastings, the lands were to be let for one or two lives at a fixed rate of rent, a fair preference being given to the zemindar, and a condition annexed to the lease that every defalcation of rent should be made good by the sale of an equivalent portion of the zemindarry. The whole system was to be established by the authority of parliament, and in no manner or degree left alterable by the government for the time being, at home or abroad. It was the cardinal principle of Mr. Francis that the *jumma* or rent of the lands should be fixed once for all, the condition of paying it being considered as annexed to the soil itself, whosoever might be the holder. Defalcations were, as in the plan of Mr. Hastings, to be made up by a proportionate attachment and sale of land. Mr. Francis formed an estimate of the probable amount of the whole revenue, by rating the lands somewhat below the average collections of the three preced-

ing years. He also computed the public expenditure in all its branches, including an allowance for unforeseen contingencies. And he found that the estimated income would not only cover the expenditure so computed, but would leave an unappropriated surplus besides. He proposed, farther, certain regulations for the protection of the subordinate tenants in succession, against any injustice on the part of their respective superiors.

The papers, alluded to, of Mr. Hastings and Mr. Francis, are written with ability, and are in some views highly interesting. The plan of Mr. Hastings exhibits some rudimental traits, that of Mr. Francis a distinct outline, of that more perfect system of territorial impost which was afterwards actually established in the provinces of Bengal, and has extended itself into other quarters of British India. The plan of Mr. Francis, besides, is prefaced by a historical review of the financial administration and state of the provinces, both during the dominion of the Moguls, and under the government of the Company. This review has for its object to shew the decline of the country during the latter period, and, though somewhat exaggerated in parts, is valuable for the talent and information which it displays.

In December 1776, while the two plans in question were under reference to the Court of Directors, Mr. Hastings, by his casting vote in council, instituted a temporary office, with a view to investigate the exact state and real value of the

lands throughout the provinces, as a groundwork for any settlement which it might be thought proper to adopt. The office was committed to three of the most experienced civil servants, assisted by native agents. The gentlemen in whom this trust was reposed conducted their enquiries with great labour and research; but their native coadjutors had probably embarked on the undertaking with views less pure; and, partly perhaps from this circumstance, and partly from the necessary magnitude and complexity of the task, the measure led to endless scrutinies, rather vexatious than satisfactory. The office had not fulfilled its intended object, when it was abolished by an order from the Court of Directors. But the Court did not at that time adopt either of the financial plans submitted to them from Bengal. Meanwhile, the system of annual settlements was resumed, the preference being always given to the zemindar, provided he would engage for such an amount of rent as the zemindarry had before paid, or as the provincial council should deem reasonable, and on condition that, in default of payment, an equivalent portion of his land should be sold. And thus the practice continued for some years.

An alteration, but again rather in the mechanism than in the essential nature of the system, took place in 1781. The provincial councils were withdrawn; the persons who had been the chiefs of them being continued as individual collectors, while the task of inspection and management was

in a great measure transferred to a committee of revenue instituted at Calcutta, and composed of five civil servants qualified for the office by their information and experience. The mode of settlement underwent no material variation. The leases were to be annual, but with a general promise of renewal on the same terms, provided the renter should have punctually fulfilled his engagement.

Such is the leading outline of the measures relating to revenue which were adopted under the administration of Mr. Hastings. An equally rapid sketch of the proceedings of the same government with regard to the dispensation of public justice may not be uninteresting to the reader.

It has appeared in the preceding chapter that, by the regulations of Mr. Hastings, a civil and a criminal court were created in each district, or collectorship; from the decisions of which courts an appeal lay, in all but very trivial cases, to two superior tribunals sitting in Calcutta. The provincial civil court, or Mofulssil Dewannee Adawlut, was held by the collector of revenue for the district; the superior civil court, or Sudder Dewannee Adawlut, by three or more members of the Calcutta Council. In all these civil courts, however, the European judges were assisted by native officers. With respect to the criminal judicatories, as the imperial grant of the Dewannee to the Company did not convey with it the criminal jurisdiction of the country, the judges were na-

tives appointed by the Nabob; but, with a view to check the too frequent irregularities of Mussulman justice, a general controul was exercised, over the Fojedarry, or provincial criminal court, by the collector; over the superior criminal court, or Sudder Nizamut Adawlut, by the Governor-General and council. The collector was also invested with the guardianship of the police.

Some changes of system were, not long afterwards, found requisite. The supervision of criminal justice proved so burdensome to the Governor General, that the Nizamut Adawlut, eighteen months after its translation to Calcutta, was restored to Moorshedabad. Other alterations in the judicial department necessarily flowed from the supersession, in 1774, of the collectorships of revenue by provincial councils. The functions of police previously vested in the collector were now committed to native magistrates, styled fojedars; while the administration of civil justice was to be exercised by the members of the provincial council in rotation.

This plan subsisted till the year 1780, when the government established courts of Dewannee Adawlut, distinct from the provincial councils, and furnished with a civil cognizance over all matters, excepting such as related to the public revenue, which were permitted to remain under the jurisdiction of the council. In the same year, the avocations of the Governor General and council having prevented their attendance in the Sudder

Dewannee Adawlut, that court was placed under the superintendance of a separate judge. The person preferred to this high office was Sir Elijah Impey, chief justice of the Supreme Court of Judicature; an appointment, exceptionable on general principles, but in fact attended with this advantage, that the professional knowledge of the new judge enabled him to reform and methodize the practice of the Dewannee courts according to the model, so far as it could be made applicable, of British jurisprudence.

The following year, 1781, was distinguished by the removal of the fojedars, or native magistrates, instituted in 1774. The police jurisdiction was to reside in the judges of the Dewannee Adawlut, or, where the government should especially permit, in the zemindar. In November 1782, the government, by order of the Directors at home, resumed the superintendance of the Sudder Dewannee Adawlut, and that court, agreeably to the statute of the 21st George III. c. 70, was declared a court of record.

It was carefully provided by the government of Mr. Hastings * that, in all civil suits regarding inheritance, marriage, cast, and other religious usages or institutions, the laws of the Koran with respect to Mahometans, and those of the Shaster

* See regulations of 21st August 1772, and of 11th April 1780, in Colebrooke's Supplement.

with respect to Gentoos, should be invariably maintained. The courts were also provided with native officers of both races, learned in the observances enjoined by their respective codes. In the criminal courts, the Mussulman law had been fully established previously to the introduction of the British power; and it was suffered by Mr. Hastings to retain its authority, subject to the interposition of the government or of the subordinate British functionaries, in cases where it authorized flagrant injustice.

In the year 1784, the British legislature decisively interfered, to regulate "the affairs of the "East-India Company, and of the British pos-"sessions in India." To this end was passed the act of the 24th Geo. III. c. 25, which composes the ground-work of the present constitution of British India. The leading feature of the act was the establishment of the "Board of Commis-"sioners for the Affairs of India," commonly known by the designation of the Board of Controul; the province of which board is to superintend and controul the Company in the exercise of the political part of their functions. A detailed account of the manner in which this controuling power was to be exercised, would not suit with the brevity requisite in the present sketch. The act also established a mode of judicature in England, for the trial of persons charged with having committed offenses in the East-In-

dies; but its regulations for this end there is the less occasion to describe, as they have never been put into practice.

By the 29th section of the act, the Company were required to investigate the truth of certain complaints which had prevailed, of oppressions inflicted on divers rajahs, zemindars, polygars, and other landholders in British India; to redress such grievances if they existed; and to establish "upon principles of moderation and justice, according to the laws and constitution of India," permanent rules for the future collection of the territorial revenues. To the important objects comprised in this requisition, the attention both of the Court of Directors and of the Board of Controul was earnestly directed; and, in 1786, Marquis Cornwallis proceeded to India as Governor General, furnished with minute and specific instructions for the institution of an improved system both of finance and of justice.

The first alteration of moment effected by Lord Cornwallis, was the reunion of the functions of civil justice and criminal police with those of financial management in the person of the collector, by creating him both the magistrate and the judge of the provincial civil court, or Mofussil Dewannee Adawlut. This measure was adopted in 1787, and was in fact strictly conformable to the instructions of the Court of Directors and Board of Controul, who, in prescribing it, professed themselves to be guided, rather by a reference to the subsisting

manners and usages of the Indian people, than by abstract principles derived from countries very differently circumstanced. Meantime, the proper court of the collector, as judge of revenue causes, remained separate from the Dewannee court over which he now presided; and, while an appeal lay from his decisions in the latter case to the Sudder Dewannee Adawlut, those in the former were appealable only to the Committee, or, as it was now called, the *Board*, of Revenue, sitting at Calcutta. In the cities, however, of Moorshedabad, Dacca, and Patna, the judge and magistrate was not invested with a financial capacity. The jurisdiction of these officers was circumscribed by the limits of the cities in which they respectively acted; and, within a city, there could be no need of a collector.

About the close of 1790, the government of Lord Cornwallis prevailed on the Nabob of Bengal to surrender into the hands of the Company the superintendance of criminal justice throughout the provinces. The inveterate and pernicious abuses prevalent in the native judicatories form an ample vindication of this measure; on which, however, the British government embarked with great reluctance, from their wish to spare, if possible, the only remaining prerogative of the Nabob. The Nizamut Adawlut was now finally removed to Calcutta; and its judicial functions were lodged in the governor-general and council, assisted by native assessors. Four Courts of cir-

cuit were at the same time instituted, the judges being civil servants of the Company, with native assistants, for the trial and punishment of offenses not cognizable by the magistrates, but under the obligation of reporting their sentences, in capital cases, for the confirmation of the Nizamut Adawlut.

Meanwhile, the system of civil justice underwent no material alteration. But, in 1793, Lord Cornwallis, deeming the mixture of the financial and judicial characters in the same persons incongruous, annulled, with the exception of certain peculiar and very inconsiderable cases, all the judicial powers of every kind previously enjoyed by the collectors, and also the appellate jurisdiction of the board of revenue. New courts for the different cities and districts were instituted, under the superintendance of individual civil servants, being of higher official rank than the collectors, who combined in themselves the functions of civil judge and magistrate. Provincial courts of appeal were, at the same time, appointed, consisting of three judges each; and, from these courts, again, an appeal was granted, in causes of a certain importance, to the Sudder Dewannee Adawlut at Calcutta. All these courts, original and appellate, were provided with sytematic establishments of native officers, both Mussulman and Hindoo; and provision was made for the regular appointment of native pleaders or advocates by the Sudder Dewannee Adawlut.

These measures were connected with a radical and memorable change in the financial system. The amount of the territorial revenues to be yielded by the three provinces was settled in perpetuity, on an average, moderately taken, of the past collections. A default of payment was to be supplied by a proportionate sale of land. The rights of the landholder, and, at the same time, those of the inferior renter or ryot, were defined with precision; the landholder being exempted from oppression on the one hand, and restrained from it on the other; for, as he was himself subject to no other means of controul than the terror of an attachment and sale of his land, so he could recover his own dues from the renter only by means of a legal process.

The reformed systems established by Lord Cornwallis constitute, at this moment, the main fabric of the domestic administration in the provinces of Bengal, Behar, and Orissa, and, so far as circumstances have made it practicable, throughout British India. In a concise sketch like the present, it would be impossible to afford even an abridged view of the various and necessarily voluminous regulations of detail, which accompanied the first formation, or have arisen out of the growing maturity, of the systems in question. It may be proper, however, to mention two modifications of some moment, which the constitution of government erected by Lord Cornwallis has of late years undergone; and to add, under a third head, an important ex-

ception which has been made, in the extension of that constitution to the other parts of British India.

First; by the plan of Lord Cornwallis, the judges of the two principal Adawluts were the Governor-general and Council. The punctual discharge of the duties attaching to these offices became, amidst the gradual increase of the dominions subject to the presidency of Calcutta, less and less compatible with the labours inseparable from the supreme administration of affairs. Partly for this reason, and partly because the absolute union of the judicial with the legislative and executive authorities appeared open to some sound objections in point of theory, Lord Wellesley, during his administration as Governor of Bengal, introduced a regulation that the judges of the Sudder Dewannee and Nizamut Adawluts should be selected from the covenanted civil servants of the Company, *not* being members of the supreme council. This regulation received the sanction of the Company at home.

Secondly, It has been found necessary to revise the revenue system introduced by Lord Cornwallis, so far as respected the powers granted, on the one hand, to the collector, and, on the other, to the zemindar, in enforcing their respective demands for revenue. It had been a leading principle with Lord Cornwallis to withhold all judicial or arbitrary authority both from the collector and

from the zemindar. This principle was dictated by enlarged considerations of justice and of policy; for, although the experiment of a separation between the civil jurisdiction and the collectorship of the districts had before been made unsuccessfully, yet that experiment could not be regarded as fair and satisfactory, since the collector had been then suffered to retain a judicial authority in matters immediately concerning the revenue, and such an authority could not, without great inconvenience, be severed from the general administration of civil justice. But the plan of Lord Cornwallis, though essentially wise and just, appears to have involved a somewhat greater improvement of social polity than the nature and habits of the people of Hindostan are as yet qualified to endure. Although there can be no doubt that, in the formation of the perpetual settlement, the estates had, in general, been assessed very moderately, the improvidence and mismanagement of the greater landholders quickly led to partial failures of payment and equivalent sales of land. The difficulty of apportioning the assessment on the lot of land attached in such cases for sale, occasioned, on the part of the defaulters, various frauds highly injurious to the revenue. At the same time, the landholder complained that, by the regulations of the government, he was, in a great measure, thrown on the mercy of the inferior renters, since the government annually demanded from

him, on pain of a privation of his land, what he could recover from his renters only by a tardy process of law. It must be owned that the complaint appears to have been not ill founded, and it applied, so far as it extended, to the essence of the regulations in question. These circumstances have led to the enactment of new rules; by which, in certain specified cases, and with forms very carefully prescribed, a power is granted to the zemindar of enforcing payment on his tenants by arrest; while, on the other hand, the collector is, under similar guards, invested with the same authority over the zemindar. Questionable as this arrangement may seem in point of general principle, it has been suggested by the necessity of the case; the restrictions with which the discretion conferred on the collector and on the zemindar respectively has been accompanied will, it is hoped, sufficiently prevent the abuse of it; no abuse, in effect, as yet appears to have taken place; and, at the same time, the revenues are realized without difficulty, and the provinces exhibit a scene of spreading and improving cultivation.

In the third place, it seems proper to mention that, while the internal administration of British India in general has been modelled on that which Lord Cornwallis fixed in Bengal, Behar, and Orissa, yet this general rule has had its exceptions. The perpetual settlement made in those provinces partly proceeded on the principle, that

the order of zemindars, as middle men between the government and the cultivator of the soil, had acquired a prescriptive right to the protection of the State. But the zemindarry system was by no means universal throughout Hindostan. In many parts of it, there were no zemindars, and the intermediate between the government and the body of ryots was the principal man of each village, who either farmed from the government all the rents of the village collectively, and then made his own agreements with the individual ryots, or, acting as a ministerial officer, entered into separate agreements with the individual ryots, in behalf of the government. It is clear that, in the former case, the head villager resembled, though on a small scale, a zemindar; but the case was not general enough to invest those men with a prescriptive title. At the same time, one grand local reason for the formation of an irrevocable settlement in Bengal, which was the necessity of removing the distrust infixed in the minds of the natives by the different shiftings that had taken place in the revenue system of the British government, did not apply to other parts of British India. From these among other considerations, the system of a perpetual settlement has not yet been universally adopted by the Company; and, at all events, the farther extension of it will probably be slow. A full and detailed examination of the subject would be here out of the question; but it may be

seen in the Fifth Report of the Select Committee of 1812, on the affairs of the Company.*

* The reader who wishes for ampler information respecting the matters treated of in this chapter is referred to Harrington's Elementary Analysis of the Bengal Laws and Regulations; Colebrooke's Supplement to the Digest of Bengal Regulations and Laws; and the Fifth Report from the Select Committee of the House of Commons in 1812, on the Affairs of the East India Company; together with the voluminous and very valuable documents inserted in the Appendix to that Report. Respecting the permanent settlement of the lands in the Bengal provinces, the minute of Mr. Shore (now Lord Teignmouth), dated the 18th June 1789, is of the highest value. The author will take the liberty of adding his humble opinion that, while the Fifth Report does willing justice to the good intentions of Lord Cornwallis, and of the authorities at home in appointing him to the Government General of India, it throughout exhibits a less friendly aspect towards the reforms introduced in Bengal by that eminent statesman than might have been expected and wished.

CHAPTER V.

Concluding Reflexions.

THE history of the East-India Company, as faintly sketched in the foregoing pages, exhibits them under three different aspects. The first is that of a body purely or principally commercial, in which character they originally appeared, and which they retained for a century and a half. Circumstances then invested them with political and imperial functions; in which capacity they may be considered,—either with respect to their foreign transactions,—those wars and negotiations that have rendered Great Britain the arbitress of the Indian world,—or as domestic politicians, the sovereigns and legislators of an extensive and populous empire.

It was observed, in the early part of this work, that, but for the charter granted by Queen Elizabeth to the Company, the direct trade between England and India must probably have perished at its birth. A similar remark apparently applies to every stage in the history of the purely commercial existence of the Company. The privilege of an exclusive trade still remained ne-

cessary; for the traders had still the same difficulties to encounter; the unsafe favour and uncertain counsels of Indian patrons; the malice and strength of European rivals; the vacillating policy of the British government at home.

The history of the Company, subsequently to their acquisition of a military and territorial character, suggests reflexions of still greater interest and importance. In the preceding pages, particular care has been taken to furnish a circumstantial description of the steps by which this mighty revolution in the situation of the body was effected and matured: and the conclusion which results from the narrative may be summed up in these two leading positions; that the heavy charges frequently urged against the early political transactions of the Company or their servants proceed on much exaggeration or even fiction; and that, where the blame really attaches, yet many important circumstances may be found of fair palliation or apology.

With regard to the servants of the Company, as distinct from the Company at home, some very atrocious accusations have, it is trusted, met with a complete answer in the progress of the work. Such are the imputations of the murder of two nabobs in succession; the still blacker charge of the murder of three millions of persons, in 1769, by an artificial famine; as well as various other calumnies of a lighter or deeper shade, which, without any specific mention of them, have been

virtually refuted by a plain recital of facts. A mass of minor mistatements is, in the same manner, tacitly, but, it is hoped, effectually, obviated. It has been asserted, for example, by a celebrated author, that, about the time of the restoration of Madras to the Company, at the peace of Aix-la-Chapelle, "the spirit of war and conquest seems "to have taken possession of their servants in "India, and never since to have left them."* How far this representation is true, the present author has attempted fairly and candidly to ascertain in his third chapter; that it is at least not true without exception, may surely appear from the account of the last administration of Lord Clive, given in the second.

Those persons who have attributed to the servants of the Company the offences alluded to, have sometimes fixed on the Company themselves

* Wealth of Nations, Book V. ch. 1. It may be added, that the whole account, short as it is, given by Dr. Smith of the transactions in India about that time is inaccurate. He says, "During the French war which began in 1741, the ambition "of M. Dupleix, the French governor of Pondicherry, in-"volved them (the English India Company) in the wars of the "Carnatic, and in the politics of the Indian princes. After "many signal successes, and equally signal losses, they at last "lost Madras, &c." The fact is, that it was not till *after* the French war which began in 1741, that the English were involved in the wars of the Carnatic and the politics of the Indian princes; and that, during that French war, they had no signal success, unless the repulse of the French from Cuddalore can be considered as such. See Orme's History.

the guilt of encouragement or connivance; in which case, the acquittal of the parties charged as principals must necessarily clear the supposed accessaries. But there are other instances in which the Company were clear, though their servants were guilty. There were times, undoubtedly, when the servants were possessed with a spirit of war and conquest; while the disposition of the Company at home has been uniformly pacific, excepting for one short period, which does not fall within the scope of the present history.

So far, on the other hand, as the acts of the Company or their servants at the outset of their territorial career really deserve censure, the foregoing pages at least exhibit some strong grounds of mitigation. The novelty of their situation was such as might naturally be expected both to seduce men from their good intentions, and to perplex the judgments even of those whose intentions might be the best. Much more, when this new situation was attained under circumstances peculiarly calculated to inflame and mislead their minds;—amidst war and tumult, the agitations of political contest, the exasperation of suffering, and the heating influence of success.

The change of situation which the Company underwent at the time in question was not indeed so essentially and radically marked as it may seem to a superficial observer. Even before that period, they had in some measure a political character, although their predominant functions were com-

mercial. Districts of a slight extent, but well peopled, were attached to their principal settlements; and over these they exercised jurisdiction as sovereigns. They made laws, dispensed justice, levied taxes, maintained troops, and negotiated with the country powers. But this was, after all, a dominion in miniature; and a dominion, subordinate and subsidiary to a trade. A petty state, suddenly expanding to ten times its former dimensions, is placed in a predicament sufficiently new and strange; much more when, from being a mere appendage to another hemisphere, a satellite to a distant world, it becomes a primary body in a new system, and revolves attracting and attracted. The change of circumstances, therefore, which the Company experienced by the accession of political and territorial power, though it might be nothing in kind, was immense in degree.

In framing alliances with the native princes, the Company and their servants did not at that time perceive, what a wider acquaintance with political science might have taught them, and what the event has abundantly proved, that, when an unequal union is formed between two nations, the inequality must, at length, inevitably discover itself, and must increase. The distrust, jealousy, impatience of dictation, and yet indolent reliance on support, which such a connexion tends to breed on the weaker side; the spirit of officious protection and authoritative interference, which it naturally generates on the stronger, cannot fail, sooner

or later, to produce contention, if not war; and the probable result is the increase of that disparity in which the disturbance originated. It was impossible for the activity, enterprise, and conscious superiority of the British, long to associate on terms of equal friendship with Asiatic supineness and imbecility.

It is sometimes urged as an apology for the folly and duplicity of which the weaker parties in such alliances are apt to be guilty, that, overshadowed and overborne as they are by their partners, it is hardly within their power to do otherwise. They are the victims of their situation. Under the circumstances in which they are placed, suspicion, fretfulness, and disaffection are inseparable from the human heart.

Considered as an argument addressed to the generosity of the stronger side, which may be supposed to stand in need of every awakening suggestion, this plea would be most pertinent; but, to a neutral person, sitting in judgment on both parties, it scarcely seems to afford a fair view of the case. So far as this alleged moral necessity can be urged in behalf of the misconduct of the one side, it seems equally available for that of the other. The powerful ally who domineers, insults, and oppresses, is surely no less the victim of his situation than the humble associate who hates, repines, and intrigues. It is as natural for conscious ascendancy to be at once imperious and neglectful, as for conscious dependence to be at once impa-

tient and indolent; it is as much in character for the one to use force, as for the other to use fraud.

These remarks are not offered with the iniquitous purpose of justifying oppression, but to throw some doubt over the vulgar notion that the excesses, whatever they were, of the British in India, were of so uncommon a kind, as to be explicable only from the anomalous nature of the system of the Company. Of the atrocities so liberally charged on the Company and their servants, after due allowance for mistatement, exaggeration, and those peculiar circumstances of extenuation already mentioned, how much will remain? Some portion, certainly; but, as certainly, not a larger mass, nor of a deeper die, than may be found in the history, for an equal period of time, of most governments on record.

It has no where been maintained in the preceding pages, that the legislature acted unadvisedly, when it laid claim to a direct privity in the affairs of the Company, and an immediate authority over their government. Such a paramount controul belongs of right to the ruling powers at home, and was very justly assumed at the time in question. But it is perfectly consistent to contend, on the one hand, that such an assumption was on the whole expedient and requisite, and, on the other, to believe that the previous administration of the Company does not merit the accumulated odium with which it has been pressed

down. The interposition of the mother country was on many accounts desirable; but we are guilty of exaggeration when we represent it as having been imperiously called for by the blood of wronged and persecuted India.

It is not, however, merely under the character of a political power engaged in negotiation and war that the foregoing work exhibits the Company; it is in the still more interesting light of legislators and governors. The author has, from economy of time, compressed his statements on this subject within a very narrow space; but he did so most reluctantly. In treating of the domestic administration of British India, every advocate for the present Indian system would naturally be apt to err rather by copiousness than brevity. The system has reached such a degree of practical excellence, as nearly to have silenced accusation.

There are those, indeed, who, while they admit the general merit of the system, deny that the Company, properly so called, are entitled to any share of the consequent praise. The legislature, they contend, and not the Company, has enjoyed the political management of India since 1784; which æra is fixed as dividing the period of misgovernment from the existence of the improved and still improving constitution now established. The practical inference avowedly intended is, that the Company should be altogether discarded, and the reins of Indian government committed exclusively to the legislature.

But, even if it were true that the Company misruled the British empire in India, till they were placed under the effective controul of the legislature at home in the year 1784, it would by no means follow that the agency of that body, as the organ of Indian administration, may be entirely dispensed with, and their executive functions transferred to the British cabinet. The government of India at present resides in the combined hands of the Board of Controul and the Company; and it is managed well. Because it is managed well by these joint authorities, we are not entitled to conclude that it would be well-managed by either of them singly. Because the Company could not serve the purpose without the Board, we are not authorized to assume that the Board could serve the purpose without the Company. In point of mere reasoning, it would be as correct to affirm that, because a bowl requires to be partially charged with some weightier material by way of bias, therefore it should wholly consist of that weightier material.

Whenever an established system of administration is found to answer all the great purposes of government as fully as, under the peculiar circumstances of the case, it seems rational to expect, and when it at the same time discovers a principle of progressive self-improvement, the practical statesman assumes that the fundamental elements and framework of such a system ought not lightly to be discomposed. He believes that the system

is essentially good; that it contains no inherent or capital imperfection, no considerable misarrangement or waste of machinery. Now there can be no room for denying that the immense establishment of the Company, whatever its utility, constitutes too large a part of the apparatus employed in the government of British India to be ineffective. So vast a limb of the engine must be powerful to make or to mar the efficiency of the whole; if not a valuable help, it must be a wretched hindrance. On the other hand, with respect to the benefits which the British government actually confers on the people of India, and that those benefits have been uniformly progressive, there hardly appears to be a dissentient opinion. Let those, then, who allow all these premises, reflect whether they can consistently deny the Company some share of praise for the present good government of British India. Let them consider whether the consecutive improvements which have taken place in the internal polity of that state, and which have succeeded each other with a rapidity scarcely precedented in the social history of mankind, could possibly have been brought to pass, if the grand operator of reform had been a living subject bound with a lifeless carcase; an agent which, at every point of its ascending flight, should only have felt more grievously the weight of its incumbering companion,

"And dragg'd at each remove a length'ning chain."

But it has hitherto been tacitly conceded to the objector that the Company paid no consistent or effective attention to the happiness of their Indian subjects, before the appointment of the Board of Controul in 1784; a concession which surely might have been withheld. That the existence of a superintending power, on the part of the executive government at home, over the political transactions of the Company, is highly expedient, there can be no doubt. By constituting a medium of constant communication between the hopes, wishes, and acts, of the mother country and the dependent empire respectively, it draws the people of India within the atmosphere of British sympathy and public opinion. It at once checks the proceedings of the Company, strengthens their hands, and liberalizes their views. The foregoing pages, however, may fully shew that previously, not only to the completion of this system in 1784, but even to its commencement in 1773, the Company were at considerable pains to improve the condition of the native people inhabiting their dominions; that they pursued this object, with interruption, indeed, and with the imperfect knowledge natural to inexperience, yet not without effect; and, in particular, that the broad outline of the system of internal economy at this moment established in their dominions was traced out so early as the year 1772.*

* See the third chapter, towards the close, where this remark is expressly made. The author cannot forbear adding, that the passage

It is true that the celebrated enactment of 1784 was the fruit of a strong impression on the minds of parliament and of the public, with regard to the previous misconduct of the Company, or rather of their governments abroad. There is one circumstance, however, respecting that general impression, which seems well worthy of mention. The principal theme of the national indignation was not so much the *domestic* as the *foreign* policy of the Company or of their delegates. It was their wars, their alliances, their treatment of dependent or tributary powers. They were thought to have evinced a bold, aggressive, domineering, and exacting spirit; and the legislature prescribed to them a disposition and a conduct more moderate, forbearing, and pacific. No opinion is here meant to be either stated or insinuated respecting the comparative merits of the ambitious and interfering system of Indian administration on the one hand, and the unaspiring and neutral system on the other. They have both had their advocates; and advocates of no mean name. But, in point of fact, the parliament and the nation, in 1784, openly declared for the less enterprising path; and it was precisely to compel the Company to walk in it that the Board of Controul was instituted. Now what has been the sequel? Since that period, the system of neutrality and contentedness has been

passage in question was written before the mooting of the particular argument which the text attempts to refute. So also was a similar passage in the fourth chapter, respecting the revenue plans of Mr. Hastings and Mr. Francis.

avowedly abandoned; the boundaries and the political influence of the Indo-British state have been immensely extended; those who have achieved this greatness vindicate their proceedings on principle, and on principle proscribe the cautious policy enjoined by the legislature in 1784;* and yet this greatness has been achieved with the express sanction of the legislature who enjoined that policy, and of the Board of Controul who were to enforce it, and in spite of the reclaiming voice of the Company on whom it was enjoined and to be enforced. The question is not, which of these parties judges correctly; but with what justice the legislature could now address the Company and say, "Were it not for us, you would still be pur-"suing the same horrible and rapacious schemes "from which we tore you in 1784."

Imperfect as the preceding work is,—and the author deeply feels its imperfections,—it may perhaps serve the purpose of suggesting to the minds of some readers a more correct idea of the past administration of British India than they have hitherto entertained. It has attempted a candid and impartial exposition of facts, neither disguising the faults of the India Company, nor exaggerating what they have done well. It may therefore throw light on the subject of the merits of the Company, —on the one hand, with respect to the country,—

* See Malcolm's Sketch of the Polical History of India from 1784 to the present date.

on the other, with respect to the British dominions in the East.

From what motives, or with what view, the early offences, real or imaginary, of the Company are studiously placed, by some of their opponents at the present day, in so conspicuous a light, it is not easy to conjecture. Perhaps, it is thought that a corporation never ceases to be morally responsible for the acts committed at any period of its legal life. Perhaps, it is meant to be implied that the past transgressions, whatever they are, which have grown out of the system of the Company, illustrate its present tendencies and propensities, and point it out as a fit object of violent jealousy. Perhaps, nothing more is intended than, by a rhetorical stratagem, to draw down odium on the present virtues of the system by exhibiting them in the discreditable company of its past vices. Perhaps, there is no intention at all, beyond the ebullition of vague dislike and hostility.

Whatever be the purpose of these retrospective criminations, it is fair and legitimate, so far as historic truth will warrant us, to confront them with retrospective praise. The plain, and, it is trusted, dispassionate recital presented by the foregoing work surely exhibits the Company under various aspects by no means unfavourable to their fame.

At a time when the trade with India was the subject of a race among the commercial states

of Europe, and when *preoccupancy* was of the greatest moment, they secured to their nation a share of that trade, most valuable in itself, and still more valuable as including the reversion of an empire. Assailed, by the malignant rivalry of foreign Europeans, with the weapons both of art and arms, sacrificed by their own monarchs to favouritism and foreign influence, and weighed down, in common with the rest of their countrymen, by the effects of the wars and revolutions that distracted England during the seventeenth century, they yet preserved the national station in the Indian trade, by dint of extraordinary exertion, and at an immense expence.

The immediate fruits of this traffic to England were, not only the supplies of desirable commodities, useful or luxurious, for her markets, and the encouragement of her manufactures, but, also, in a pre-eminent degree, the improvement of her naval skill and architecture, (for the India Company were the first British merchants who employed ships of great burden), and the promotion of her commerce with foreign Europe, by the re-exportation to the continent of the chief part of the commodities brought from India. At the same time, the Company made various and large contributions to the national revenue; and, in their commercial transactions with the native powers of India, they established a character for probity and integrity highly creditable to the English name,

During the prosecution of this trade, they acquired numerous settlements in the East, which they regulated and governed well. Those establishments, protected and fostered in their infancy, quickly shot forth branches in every direction, which, gradually spreading out and meeting each other, have at length over-canopied Hindostan. But their growth took place under heavy storms. The political rapacity of France, who avowedly sought in the East territorial aggrandizement for herself, and the utter debasement or extirpation of the Anglo-Indian name, forced on their rivals schemes of defensive ambition. From that period, the Company had a new character to sustain; and they sustained it triumphantly. Very moderately assisted by their own mother-country, from whom they derived little other advantage than the liberty of recruiting men at their own expense, they struggled against the French Company, zealously seconded by the Court of Versailles. They hazarded their whole capital and credit; they expended an immense sum of blood and of treasure; and, after a contention of various fortune during twenty years, succeeded in planting a vast territorial dominion on the neck of the prostrated ambition of their enemies.

Aided, indeed, by the counsels of their parent state, but at their own cost (for they have constantly paid such of the King's troops as they have employed), they have preserved, consoli-

dated, and extended this dominion, till it at length includes within itself almost all that the commercial or the ambitious spirit of Europe has ever grasped at in India; covering at once the ruins of the French and Danish possessions, the insular and maritime empires of the Dutch and Portuguese, and the continental empire of the Moguls; and rich, almost without example, in navigable rivers, accessible coasts, fertile plains, and a thronged and industrious population.

In this empire they have established,—by slow gradations, indeed, but good government is ever a work of gradation,—and under the superintendance of the legislature, but not without eminent exertion on their own part,—a system of polity so excellent as to compel the approbation even of their enemies; a system of great present benefit, and of extensive promise. The numerous civil servants whom they employ in the local administration constitute such a body of public functionaries, as, for knowledge, industry, and integrity, it would probably be difficult to parallel on earth. The vast and efficient armies which they have formed of their Asiatic subjects,—the skill, the courage, and the discipline to which the sepoy soldiery has been trained,—the exalted military accomplishments of the European officers,—are subjects of general notoriety and admiration.

The possession of the Indian empire is highly advantageous to the mother country. It opens to her patrician order a spacious and noble field of

a picture whose distance reveals the faded forms of elder story, the shadows of forgotten autocrats and dynasties receding into fable,—unite to constitute India one of the principal repositories of the glory of England in the eyes of foreigners, one of the mansions where her fame delights to dwell.

By the acquisition of empire, the Company have not been induced to neglect the extension and promotion of the commerce, manufactures, shipbuilding, seamanship, and various other interests, of this country. They have improved the intercourse of Great Britain with the jealous and capricious government of China into something like a solid commercial connexion. The customs and duties levied on their trade form one of the staple resources of the public revenue. They have, at various periods, accommodated the public with large sums of money, either in the shape of loan, gift, or pecuniary sacrifice, as the price of a renewal of their privileges. They have voluntarily afforded other aids to the public, as by raising seamen, and equipping ships of war, for the national navy.* The munificent patronage which they have ever afforded to the cultivation of those branches of literature that are connected with the learning or antiquities of India may be mentioned as another ground on which they are

* On the subject of the profit derived by the nation from the Indian Company, see the appendix (No. 13,) to Mr. Plummer's very sensible "Letter to the Earl of Buckinghamshire."

employment; a field in which every talent may be tried and every generous species of ambition gratified. It, in the same proportion, relieves from the pressure of competition the various professional pursuits nearer home; thus, generally raising the rate of profit on the capital stock of the national genius, wisdom, and enterprise. It more than reimburses, even in a pecuniary point of view, the outlay of expense on the persons delegated to the Indian service, by the wealth which many of those persons bring back to their native land. It furnishes to the mother country such opportunities and advantages of commerce as she would in vain expect from the same regions, if they were subject, either to the despotism of Asiatic princes, or to the jealous sway of continental Europeans. It richly ministers to her reputation, which is her power. Amidst all the treasures of the greatness of England, perhaps none more strongly excites the envy of her European enemies than the gem of her Indian empire. The vast superficial extent and unascertained populousness of those dominions, the magnifying effect of their remoteness, the recollection of the heroism by which they have been won and worn, the consecrated memory of the eminent characters, the chiefs and sages, who have successively appeared on that romantic scene and have vanished away,—all these imposing considerations, mingled with confused but splendid images of naval strength and barbaric opulence, and crowded together in

entitled to the favour of their more enlightened countrymen. Nor is it to be forgotten that they have repeatedly conquered the dominions possessed in India by the European enemies of this country, which conquests have been restored by by treaties of peace, for equivalents conferred on the nation, without any indemnification to that body at whose expense they had been made.

What degree of commendation may be due to the Company on these grounds, it rests with the reader to determine; but, at least, the mention of their services and achievements cannot be irrelevant at a period when so much has been said, and said with less study of accuracy than of effect, respecting their past misdeeds, and when many appear to decide on the important question concerning their merits rather in obedience to prejudice and vague clamour, than from serious, deep, and impartial deliberation.

THE END.

THE TANJORE MAHARAJA SERFOGI'S SARASWATI MAHAL.

INDEX.

*** *The Roman Numerals refer to the pages of the Introduction; the Arabic Figures to the rest of the Work.*

A.

Abbas (Shah) assisted by the English in defeating the Portuguese, 19. Grants them extensive privileges, *ibid.*

Adams (Major) totally defeats Meer Cossim, 223, 224.

Administration of India, summary view of, subsequent to the Regulating Act of 1773, 346 *et seq.*

Agencies (Indian) nature of, 67.

Amyatt (Mr.) sent to treat with Meer Cossim, 214. Is attacked on his return and murdered, 221.

Analogy between wages and profits examined, x—xv.

Army of the Company, state of in 1772 and 1774, 344, 345.

B.

Bacon (Lord), observations of, on foreign trade, xxv.

Bantam, the East-India Company finally expelled from, 93.

Bencoolen, government of, declared to be independent of Madras, 130.

Bengal, state of, in the close of the 17th century, 87—89. Territories in ceded to the English East-India Company, 114. Its agency erected into a presidency, 115.

Best (Captain), successful voyage of, to the East-Indies, 12, 13.

Bolts (Mr.), observations on his misrepresentations of India affairs, 299—301, *notes.*

Bombay (Island) ceded to the East-India Company by Charles II. 80. Its rapid improvement, 81, 82. Suffers from the wars between the Mogul Emperor and the Mahrattas, 93, 94. Settlement of, rebel against the Company, 97. Accession of political power by this presidency, 229. Expedition by this presidency against the city of Broach, 294.

Bond-debt of the East-India Company, origin of, 89.

C.

Caillaud (Colonel) defeats Shah Aulum, 179.

Calcutta granted to the English by the Mogul Emperor, 157. Is taken by Surajah Dowla, 156. But retaken by them, 158.

Carnatic, principality of, contested, 148. State of the contest, *ibid.* 149.

Chandernagore, French settlement of, taken by the English, 160.

Changes introduced in the internal administration of India, subsequent to the Regulating Act of 1773, 346 *et seq.* Effects of them, 347. Mr. Francis's plan, 348. Mr. Hastings' plan, 348—354. Alterations by Lord Cornwallis, 355 *et seq.*

Charges of the Company, amount of, 343, 345.

Charter of Elizabeth to the East-India Company, 2. Of James I., 9. Of Charles II. 64, 104. Of James II. 105. Renewals of the Company's charters in 1726 and 1730, 142, 143.

Child (Sir John) chief governor of India, 98. Makes peace with the Mogul, 103.

Child (Sir Josiah) opinion of, on free trade, xxi. His remarks on the policy of the Dutch East-India Company, 98—100. His scheme for aggrandizing the English Company considered, 101. Strictures on his administration and sentiments, 106, 107.

Clive (Colonel) detached from Madras with troops to Bengal, 157. Defeats the project of the Dutch, in attacking the East-India Company's possessions, 177, 178. Returns to England, 178. Returns again to Bengal as governor, with a peerage, 242. Removes several abuses, 246, 247. Alterations made by him in the treaty concluded with Nudjum ud

Dowla, 248—250. The principles of his arrangement examined and considered, 250—255. Nature of the treaty between the East-India Company, Shah Aulum, and the Nabob Sujah Dowla, 258—262. Efficient reforms introduced by him into the system of government, 264—266. His vindication of himself, 267, 268. Remarks on his noble conduct, 268, 269. Quells a mutiny in the British army, 270—272. Vindicated from the charge of putting to death the Nabob Nudjum ud Dowla, 272, 273. Returns to England, 274. Character of his administration, *ibid.* 275.

Commerce, alterations proposed in laws concerning, by commercial men, to be received with suspicion, i. This opinion of Adam Smith examined, ii—vii. Remarks on commercial profit, viii—x. Opinions of political economists on commercial restrictions, xviii *et seq.* Remarks on the commercial system of the 17th century, xxii—xxiv. Commerce of England promoted by the measures of Queen Elizabeth, xxix—xxxiv.

Cornwallis (Lord) alterations introduced by, in the system of Indian polity, 355—358. Remarks on some modifications made in the system erected by him, 358—363.

Constitution of the East-India Company in the reign of Charles II. 65—72.

Cossimbazar seized by Meer Cossim, 221.

Courten (Sir William) obtains a charter for Indian trade from Charles I. 27. Misconduct of his agents, 28.

D.

Davenant (Dr.), opinions of, on commercial restriction and freedom, xix, xx. Character of, as a political economist, xix, *note.*

Dewannee civil court of justice, nature of, 326.

Dividends on India stock, disputes concerning the raising of, 276. Interference of parliament, 277. Who pass sundry acts, *ibid.* 278. Reflexions on this interference, 279, 280. Amount of dividends from 1766 to 1772, 342;

Dow (Colonel), remarks on his misrepresentations, 297, 298—301, *notes.*

Dupleix (M.), Governor of Pondicherry, character of, 149. Defeats the troops of the Nabob Anwaradeen, *ibid.*

Dutch East-India Company incorporated, xxxix. Commands the spice trade almost exclusively, 15. Overture of uniting them with the English Company rejected, 21. Their cruelty to the English at Amboyna, 23. Their treacherous conduct towards the English Company in 1665-7, 73—75, 76. Remarks on their policy by Sir Josiah Child, 98—100. Attack the English East-India Company's possessions at Calcutta, but are defeated through Lord Clive's management, 177.

E.

East India Company first incorporated, xlii, xliii. Dr. Smith's remarks on, xliii, xliv. Examination of these, xlv, liii.

Historical Account of the Company from their first institution to the commencement of their territorial and political character, 1, *et seq.* Circumstances that led to the establishment of the Company, 1, 2. Amount of subscription first raised, 3. First fleet sent out under Captain Lancaster, 3. Unsuccessful attempts made to raise a second subscription, 4. Objections made to them, and to the India trade in general, 5, The assertion that the East-India Company was always unpopular, refuted, 5, 6. Company not encouraged by the infirm policy of James I. 7. A second fleet sent out under Sir Henry Middleton, *ibid.* Another company licenced by James I. 7, 8. Their misconduct, 8. Charter granted to them by him, 9. First voyage under it, 10. Unsuccessful 11, 12. Successful voyage in 1612, under Captain Best, 12, 13. Remarks on the large profits divided by the Company, 13, 14. System of trading by a joint stock company, first established, 14. And the Company's commerce methodized, *ibid.* Their progress in the Western and Eastern India, 14, 15—17. Trade with Persia, and privileges granted to them by Shah Abbas, 18, 19. Prosperity of the Company, in 1621, 19. Reject an overture of junction with the Dutch East-India Company, 21. Are expelled from the Moluccas, 23. State of their trade on,

the Coromandel coast, 24. Circumstances that crippled their exertions in the reign of Charles I. 27, 28. Madraspatam ceded to them, and the presidency of Madras established 29. Their commercial transactions on the Ganges commenced, *ibid*, 30. Account of the Company during the civil war, 30—34. Proceedings in Parliament, concerning them, in the reign of Charles I. and the Commonwealth, 35—50. Injury sustained by the Company from private trade, 51—53. The Company reinstated by Cromwell, and re-chartered by Charles II. 64. Outline of the Company's constitution at that time, 65—72. Treacherous conduct of the Dutch towards the Company, 73. Their factories oppressed in the Mogul empire, 77, 78. The English favoured by Aurungzebe, 79. Acquire the Isle of Bombay, with extensive privileges, from Charles II. 80, 82. State of their factories on the Coromandel coast, 83—85. State of Bengal, 87. Amount of the Company's exports and imports, in 1677, 90, 91. Finally expelled from Bantam, 93. Encroachments of private traders, 95—97. Sir Josiah Child's scheme for aggrandizing the Company, considered, 101—104. Enlarged charters of Charles II. and James II. 104, 105. Strictures on Sir Josiah Child's administration and sentiments, 106, 107. Judgment given in favour of the Company, against Mr. Sandys for being an interloper, 108. Clamour against them in parliament, 109. Gross misconduct of the Directors, 110, 111. Factories established in Sumatra, 112. Fort St. David established, 113. The Company acquire territories in Bengal, the agency of which is erected into a presidency, 115. Distresses of the Company by war and from pirates, 116, 117. A new East-India Company chartered, 118, 119. The two Companies united, 121. Oppressed by Jaffier Khan, they obtain increased privileges from the Mogul Emperor, 126—128. Consequences of this, 129. State of the Company's affairs in the Island of Sumatra, 130—134. Obtain a renewal of their charter in 1726, and again in 1730, 142, 143. State of their establishments in India, 143—145. Effects of the war with France, in 1745, on the English possessions, in India, 146—148.

Historical account of the East-India Company, from the year 1748 to the year 1766-7, 148 *et seq.* Their assistance implored by Mahomed Ali Khan, 149. Whom they establish in the principality, 153. Origin of their war with Surajah Dowla, 154. Retake Calcutta from him, 158. Capture Chandernagore, 160. Place Meer Jaffier Ali Khan in the Nabobship, 161. Great misconduct of their servants, 161. Remarks on these transactions, 163—168. Substance of the treaty between them and Meer Jaffier, with remarks, 168—170. The Company's territories invaded by the Dutch, 176. Who are defeated by Lord Clive's superior management, 177. Revolution effected in India, by their servants, 184, 185. Considerations on this measure, 186—202. Nature of their differences with Meer Cossim Ali Khan, 204 *et seq.* Construction of the phirmaun or grant of the Mogul Emperor, 205—208. The Company's troops sieze the fort of Patna, 219. Which is retaken by the troops of the Nabob, 220. War declared between the British government and Meer Cossim, 222. Whose armies are completely routed by Major Adams, 223—225. Meer Cossim butchers 150 Englishmen, 226, 227. Considerations on this affair, 227, 228. Accession of political power by the presidency of Bombay, 229. Conquest of the Philippine Islands, 230. Peace concluded between Britain, France, and Spain, *ibid.* 231. Reflexions on it, 231, 232. War with Sujah Dowla and the Rajah of Benares, 234, 235. Who are defeated by Major Carnac, and again by Major Munro, 235, 236. Considerations on the several revolutions of India, 239—242. Situation of affairs on the arrival of Lord Clive, 242, 243—245. Irregularities checked or remedied by him, 245, 246. Nature of his treaties with Shah Aulum and the Nabob Sujah Dowla, 258—264. Efficient reforms introduced into the system of government, 264—266.

History of the Company from the year 1766-7 to the passing of the Regulating Act of 1773, 276 *et seq.* Disputes concerning the increase of their dividend, 276. Interference of parliament, 277. Acts for regulating the dividends on India stock, 278. Reflexions on this interference, 279, 280.

And on the nature of their conquests, 281—283. War with Hyder Ali, who approaches Madras, and dictates terms of peace, 283—287. Effects of this measure at home, 288. The Company bound to pay £400,000 per annum to the public, 289. Injudicious conduct of the British Ministry, 289, 290. Reflexions on the war of Tanjore, 292. Expeditions from Bombay against Broach, 293, 294. New system of collecting the Company's rents established, 310, 311. Improved system of finance established by order of the Court of Directors, 323—328. Embarrassments of the Company, 330. Interference of the legislature, 331. Provisions of the regulating act of 1773, 333—336. Remarks on them, 337—341. Average amounts of the Company's exports, from 1766 to 1773, 341. Imports, 342. Shipping and dividend, 342. Revenues and charges, 343—345.

Summary view of the changes in the internal administration of British India, subsequent to the Regulating Act of 1773, 346, *et seq*, Effects of the changes then introduced, 347. Plans of Mr. Francis for settling and collecting the revenues, 348. Mr. Hastings's plan, 348, 349. Alterations introduced by him, 350, 351. Alterations in the criminal jurisprudence, 352, 353. Regard paid by Mr. Hastings to the institutions, &c. of the Gentoos, 354. Abstract of the Regulating Act of 1784, 354, 355. Alterations and reforms introduced by Lord Cornwallis, 355, 358. Remarks on some modifications made in the constitution erected by him, 358–363.

Concluding reflexions, 364, *et seq*. Remarks on the general conduct of the Company and their servants, 364–374, and on the enactment of 1784, 375—377. Benefits resulting from the Indian trade, 378—380. Excellence of the system of polity established by them, 380—383.

Elizabeth (Queen) wise measures of, for extending English commerce, considered, xxix—xxxiv. Sends an embassy to the Mogul Emperor, xlii. Her wise policy originated the direct trade to India, 1, 2.

Ellis (Mr.) and 150 Englishmen butchered by Meer Cossim, 225, 226.

Exports of the East-India Company, from 1766 to 1773, 341.

F.

Factory, nature of, 66.

Famine, dreadful, in 1769, account of, 311—314. Remarks on its supposed causes, 315—323.

Finance, Mogul system of, explained, 300 *et seq.* Improved system of, adopted by the East-India Company, 323—328.

Francis (Sir Philip) remarks on the plan proposed by him for settling, &c. the revenues of India, 348.

French Settlement formed at San Thomé, reduced by the Dutch, 84.

H.

Hastings (Mr.) plans of, for settling the revenue, &c. of India, 348, 349. Alteration proposed by him in the criminal jurisprudence, 352, 353. Regard paid by him to the institutions of the Gentoos, 354.

Holwell (Mr.) provisionally succeeds Lord Clive in the presidency of Bengal, 178. Remarks on his administration, 180.

Hyder Ali, character of, 283. Declares war against the East-India Company, 283; and is defeated, 284. His overtures for peace rejected, 285. He approaches Madras, and dictates terms of peace, 287.

I.

Imports of the East-India Company, amount of, from 1770 to 1773, 342.

India. First Indo-European trade, a monopoly, xxxiv. First and second monopolies, in whose hands, xxxv. Indo-European trade transferred to Portugal, xxxv. Reasons why the Portuguese were not followed in their trade to India by the Cape of Good Hope, xxxvi—xxxviii. Origin and progress of the Dutch trade there, see *Dutch East-India Company*. First attempts of the English to open a trade to India, xl—xlii.

Interlopers, account of the incroachment of, 95—97. Judgment of the court of King's Bench against them, 108.

Investments, origin and nature of, 67.

J.

James I. infirm policy of, crippled the efforts of the East-India Company, 7. Grants them a new charter, with enlarged privileges, 9.

Judicature, supreme court of, established, 336. Remarks on it, 339, 340.

L.

Lancaster (Capt. James) first commander of the East-India fleet 3. Successful result of his first voyage, 6.

Lands, Mogul system of letting, stated, 302, 303. Abuse thereof, 334.

Locke (John) opinion of, on free trade, xxvi.

London merchants, enterprising spirit of, led to the formation of the East-India Company, 1, 2.

M.

Madras, fort erected at, and the presidency of, established, 29. Flourishing state of, in 1677, 85. Remarks on this, 87 Besieged and obliged to capitulate to the French, 146. The government of Madras incautiously assist the Nizam against Hyder Ali, 281. Reflexions thereon, 283, 284. They defeat Hyder Ali, 284.

Mahomed Ali Khan implores the assistance of the English, 149. By whom he is established in his principality, 153. Confers extensive privileges on them, *ibid.*

Mahomed Ali, minister of Meer Cossim, insolent conduct of, to the Europeans in India, 212. Is arrested and conducted to Calcutta, 214.

Malays, polity of, 131.

Manufacturers, observations of Dr. Smith on them, i—iii. Which are objected to, iii—vii.

Meer Cossim Ali Khan, treaty of, with the English, 183, 184. Attempts to abolish the immunities previously enjoyed by the East-India Company's servants, 209, 210. Treaty with the Governor, Mr. Vansittart, 210, 211. Rigidly enforced, 211, 212. His disputes with the Calcutta council, 212—214. Conference with their deputies, 215, 216. War declared between him and the Company, 222. His troops completely defeated by Major Adams, 223—225. Inhumanly butchers the resident, Mr. Ellis, and 150 Europeans, 225, 226. Flees to Sujah Dowla, 227.

Meer Jaffier Ali Khan is placed in the nabobship of Bengal, 161. Remarks on the transaction, 161—168. Substance of his treaty with the English, 168—170. Character of him, 171. Reasons for his jealousy against the English, 172, 173. His territories invaded by the Mogul Emperor, 173, 174. Connives at an expedition of the Dutch, 174. Negotiations of Mr. Vansittart with him, 184. Is deposed from the nabobship, 185. This measure commented on, 186—202. Treaty for his restoration, 222. Dies, 238.

Merchants, observations on, by Adam Smith, and their influence in regulating commerce, i—iii. Remarks, iii—vi, xvii.

Michelborn (Sir Edward) licenced by James I. to explore the East, 7. Predatory conduct of him and his men, 8.

Mickle, observation of, on the Portuguese trade to India, xlvi. xlvii.

Middleton (Sir Henry) sails with a fleet to India, 10. Is detained by the Turks, 11. Dies of an infectious disorder, 12.

Mogul, Emperor, privileges granted by him to the English East-India Company, 79. Terms of peace with them, 103.

Mogul, system of finance, remarks on, 300, *et seq.*

Monghir, fortress of, captured by the English, 227.

Monopolies, proceedings against, in different reigns, 34—40.

Mun, (Mr.) account of the East-India Company, in 1621, 46, 47

N.

Nudjum ud Dowla succeeds Meer Jaffier on the Musnud, 243. Remarks on his elevation, 243, 244. Alterations made by Lord Clive in the treaty concluded with him by the government of Calcutta, 248—250. Reflexions on the principles of this arrangement, 250—255. His death, 272.

O.

Ostend, East-India Company, origin and progress of, 136—138. Remarks on it, 139—142.

P.

Persia, the East-India Compauy's trade with, when first established, 18. Privileges granted them by its sovereign, 19.

Philippine Islands, conquered from, and restored to, the Spaniards, 230, 231.

Plassey, battle of, 161.

Pitt (Mr. Thomas), fidelity and ability of, 122, 123.

Portuguese acquired the Indo-European trade by the discovery of the Cape of Good Hope, xxxv. Reasons why they were not followed in the same track, xxxvi—xxxviii. Ships and cargoes employed in their trade to India were the King of Portugal's property, 46, 47, *and notes*.

Presidencies, (Indian) View of, 68—70.

Private trade, injury produced by to the East-India Company's, 51. Review of the subject, 53—63. Encroachments of the interlopers, in the close of the 16th century, 95—97.

Profits, enormous, of the East-India Company, accounted for, 13, 14.

R.

Ramnarrain, vice-nabob of Behar, delivered up to Meer Cossim Ali Khan, 202—204.

Regulation acts of 1773, remarks on, 278—283, Act of 1784, abstract of, with remarks, 354, 355.

Revenue of India, new mode of collecting, 325—328. Of Bengal, amount of, for 1774, 345. Of Fort St. George, *ibid.*

S.

Sales, amount of, from 1768 to 1773, 340

Sevajee, predatory incursions of, 79, 80. His death, 101.

Shah Aulum invades the territories of Meer Jaffier, 178; but is repelled by a British army, 179. Character of, 256. Nature of the treaty concluded on his part by Lord Clive with the nabob Sujah Dowla, 238—26.

Ship-building promoted by the first East India Company, 10,11.

Smith (Dr. Adam), observations of, on merchants and manufacturers, i—iii. Remarks on them, iii—vi. His positions, relative to those who live by profit, examined, vii—xvii. His remarks on the institution of the East-India Company, xliii, xliv. Strictures on them, xlv—liii.

Sumatra, character of the native governments of, 130, 131. Factory of Bencoolen declared to be independent of Madras, 130. Revolutions in its government, 132, 133. Fatal to the English interests, 134. Their settlements re-established, 135.

Sujah Dowla, nabob of Oude, defeated by Major Carnac, 325. And by Major Munro at Buxar, 236. His character, 239. Restored to his dominions by Lord Clive, 258.

Surajah Dowla ascends the musnud of Bengal, 154. Attacks the English, 155, and takes Calcutta, 156, which is retaken by them, 158. He concludes a pacification with them, *ibid.* Defeated at Plassey, 161.

Surat, factory of, established, 16, 17. Suffers from the wars between the Mogul empire and the Mahrattas, 9, 3, 94.

Syef ud Dowla, death of, 295. The charge of his being murdered examined and refuted, 296, *et seq.*

System of the East-India Company, excellence of, 378—383.

T.

Turkey Company in possession of the spice trade, 5. Oppose

the establishment of the East-India Company, 5. Remarks on their conduct, *ibid.* 6.

V.

Vansittart (Mr.), president of Bengal, 183. Heads of his treaty with Meer Cossim Ali Khan, 183, 184. Who surrenders to a British force, 185. Concludes the treaty of Monghir with Cossim Ali Khan, 210, 211.

W.

Wages, and profits, analogy between them, considered, 10—15.

Z.

Zemindars, nature of their tenure, 03—305.

MAHARAJA SERFOGI'S SARASWATI MAHAL

Printed by Cox and Baylis,
75, Great Queen Street, Lincoln's-Inn-Fields.